

**SECTION 00010**

**TITLE PAGE**



**RAINBOW MUNICIPAL WATER DISTRICT  
3707 OLD HIGHWAY 395  
FALLBROOK, CALIFORNIA 92028**

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**MAY 2019**

**BID DOCUMENT VOLUME I OF II**

**BIDDING REQUIREMENTS, CONTRACT FORMS,  
CONDITIONS OF THE CONTRACT AND  
TECHNICAL SPECIFICATIONS**

**Prepared by:**

**RAINBOW MUNICIPAL WATER DISTRICT**



  
**Steve Strapac, PE  
District Engineer**

**SECTION 00015**

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**SECTION 00020**

**NOTICE OF INVITING BIDS**

**RECEIPT AND OPENING OF BIDS.**

- A. Sealed Bids will be received only at Rainbow Municipal Water District (Owner/RMWD), 3707 Old Highway 395, Fallbrook, California, Telephone (760) 728-1178 until **2:00 p.m. on June 3, 2019** for the construction of the Work entitled:

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**DESCRIPTION OF WORK:** The Work includes, but is not limited to providing all labor, material and equipment to install approximately 600 linear feet (LF) of 12-inch diameter PVC C900 DR 14 water pipeline and connect into existing Cement Mortar Lined & Coated (CMLC) and Steel (STL) pipeline. Work includes demolition, excavation, installation of below grade pipeline, corrosion protection for adjacent pipes, valves and appurtenances, backfill and compaction, asphalt paving, slurry sealing the roadway and all related work. Contractor is to include removal of all spoils/debris as required. Fill dirt if required should be tested and clear of any toxic substances and/or any corrosive materials. Traffic control to be included.

*Tentative Schedule to begin work is late June 2019.*

**SITE OF WORK:** Via Ararat Drive, Bonsall, CA 92003 (APNS: 127-271-37, 127-271-38, 127-271-39, 127-271-40 and 127-271-44)

- B. Bids will be publicly opened and read aloud at the place and time stated above. Bidders are invited to be present.
- C. The Owner shall not open any bids received after the time specified above and shall return the unopened Bids to the Bidder.

**SECURING BID DOCUMENTS.** The project bid documents, including final plans and specifications will be available on May 6, 2019 on RMWD's website at **[www.rainbowmwd.com](http://www.rainbowmwd.com)** and the Construction Bidboard at **[www.ebidboard.com](http://www.ebidboard.com)**.

**MANDATORY PREBID MEETING.** A mandatory pre-bid meeting will be held at the Rainbow Municipal Water District, 3707 Old Highway 395, Fallbrook, CA 92028, on **May 21, 2019 at 9:00 a.m.** A site visit will follow the mandatory pre-bid meeting.

**ENGINEER'S OPINION OF PROBABLE COSTS.** The Engineer's Opinion of Probable Cost is hereby considered to be **\$150,000.**

**CONTRACT TIME.** The contract time is hereby established as **45** work days. The contract time shall be consecutive work days from the date of receipt of the Notice to Proceed.

**LIQUIDATED DAMAGES.** The fixed liquidated damages amount is hereby established as **\$1,000.00** for each calendar day of unauthorized delay in completion of the Work.

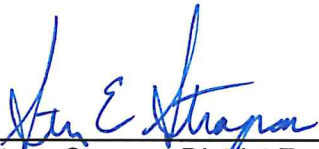
**BONDS.** The Bidder to whom the award is made will be required to submit a payment bond and a performance bond, each in a principal amount not less than one hundred percent (100%) of the total Contract Price.

**BIDS.** Bidders must comply with and agree to all instructions and requirements in this Notice and in the Instructions to Bidders, including post-bidding procedures.

- A. All Bids must be submitted on the prescribed Bid Form.
- B. Bid security or a bid guaranty bond, in an amount not less than ten percent (10%) of the Total Bid amount, is required to be submitted with the Bid.
- C. Requests for interpretation of the Contract Documents shall be submitted to RMWD in writing to **drubio@rainbowmwd.com** not later than **1:00 p.m., May 27, 2019** RMWD will release a final response to requests for interpretation no later than **May 28, 2019**.
- D. The successful Bidder shall execute the Contract Agreement within ten (10) work days after the date of the Notice of Award.
- E. The successful Bidder shall furnish insurance in accordance with the Contract Documents before execution of the Contract Agreement. The required insurance includes, but is not limited to, Contractor's Installation All Risk Insurance covering the value of the Work and all materials and equipment to be incorporated therein while at the site and during inland transit insuring the replacement value, subject to a deductible not to exceed \$5,000 for any single loss. This insurance shall also contain an insurer's waiver of subrogation against RMWD, and it shall specifically cover losses due to earthquake and flooding.
- F. RMWD may withhold issuance of the Notice to Proceed for a period not to exceed sixty (60) calendar days after the date the Contract Agreement is executed.
- G. The Contractor shall start the Work within ten (10) work days after the date of the Notice to Proceed.
- H. **SECURITY SUBSTITUTIONS FOR MONEYS WITHHELD TO INSURE CONTRACTOR'S PERFORMANCE.** In accordance with Section 22300 of the State of California Public Contract Code, the Contractor at his request and expense, will be permitted to substitute equivalent securities for any monies withheld to ensure performance. Upon satisfactory completion of the Contract, the Contractor shall receive from the escrow agent all securities, interest, and payments received by the escrow agent from RMWD, pursuant to the terms of Section 22300. Refer to applicable portions of the Escrow Agreement (Section 00630) for Security Deposits in Lieu of Performance Retention included with the Contract Documents. The Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall receive any interest thereon.
- I. Contractor shall possess a Class 'A' Contractor's License at the time of bid submission and award of the Contract.

- J. Pursuant to Sections 1770 *et seq.* of the State of California Labor Code, the successful bidder shall pay not less than the prevailing rate of per diem wages as determined by the Director of the Department of Industrial Relations. RMWD has obtained the general prevailing rate of per diem wages in the locality in which this work is to be performed for each craft or type of worker needed to execute the contract from the Director of the Department of Industrial Relations. These rates are on file at RMWD located at 3707 Old Highway 395, Fallbrook, California 92028 or may be obtained from the State of California, Division of Labor Statistics and Research at (415) 557-0561. Copies may be obtained on request. A copy of these rates shall be posted at the job site.
- K. A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code or engage in the performance of any contract for public work, as defined in Division 2, Part 7, Chapter 1 of the Labor Code, unless currently registered and qualified to perform public work pursuant to Section 1725.5. This project is subject to compliance monitoring and enforcement by the DIR. Contractor shall submit proof of current DIR registration, and shall require all Subcontractors to submit proof of current DIR registration, to RMWD prior to commencing work on this project.
- L. Rainbow Municipal Water District reserves the right to reject any and all bids.

APPROVAL. This Notice is approved and authorized by the Rainbow Municipal Water District this 6<sup>th</sup> day of May 2019.

  
\_\_\_\_\_  
Steve Strapac, District Engineer  
Rainbow Municipal Water District

END OF SECTION 00020

## **SECTION 00100**

### **INSTRUCTIONS TO BIDDERS**

- IB-01 **GENERAL.** Sealed bids will be received only at Rainbow Municipal Water District (Owner/RMWD), 3707 Old Highway 395, Fallbrook, California, 92028, Telephone (760) 728-1178 for the construction of the Work entitled:

#### **VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

The Contract Documents will be available for examination without charge, and copies may be secured and examined at RMWD. Terms used in the Bidding Requirements shall have the meanings defined in the Conditions of the Contract.

- IB-02 **EXAMINATION BY BIDDERS.** At his/her own expense and prior to submitting a Bid, each Bidder shall (a) examine the Contract Documents, (b) visit the site and determine the local conditions which in any way affect the performance of the Work including access to the sites, the prevailing wages and other pertaining cost factors, (c) familiarize himself/herself with all Federal, State and local laws, ordinances, rules, regulations and codes affecting the performance of the Work including the cost of permits and licenses required for the Work, (d) make such surveys and investigations, including investigation of subsurface or latent physical conditions at the site or where Work is to be performed, as he/she may deem necessary for performance of the Work at his/her Bid price within the terms of the Contract Documents, (e) determine the character, quality, and quantities of the Work to be performed and the materials and equipment to be provided, and (f) correlate his/her observations, investigations, and determinations with the requirements of the Contract Documents. The Contract Documents show and describe the existing conditions as they are believed to exist, and the surveys, investigations, and other data which have been used in the design of the Work. Except as provided otherwise by law or these Contract Documents, neither RMWD nor the District Engineer shall be liable for any loss sustained by the Contractor resulting from any variance between the conditions and design data given in the Contract Documents and the actual conditions revealed during the Bidder's examination or during the progress of the Work. The submission of a Bid shall be incontrovertible evidence that the Bidder has complied with all the requirements of this Section.

- IB-03 **QUALIFICATIONS OF BIDDERS.**

- A. At time of bid submission, all Bidders must currently possess an "A" Contractor's License according to the laws of the State and legal jurisdiction of the place where the Work is located, and meet the qualifications stipulated hereinafter. All Subcontractors desiring to bid on the Work must possess a Contractor's License within their individual specialties.
- B. No person, organization, or corporation is allowed to make, submit, or be interested in more than one Bid for the Work unless in a subcontractor relationship with respect to the Bids or unless Alternative Bids are required. A person, organization, or corporation submitting sub-proposals or quoting prices on materials to Bidders is not prevented from submitting a Bid for the entire Work.

- C. At the time of bid submission, all Bidders must be currently registered with the Department of Industrial Relations ("DIR") and have paid the annual fee pursuant to Section 1725.5 of the California Labor Code.

IB-04 PREPARATION AND SUBMISSION OF BIDS.

- A. Bids shall be submitted on the prescribed Bid Document Forms Volume II bound herein. All bid items and statements shall be properly filled out. Numbers shall be stated both in words and in figures where so indicated, and the signatures of all persons signing shall be in longhand. Where there is a conflict in the words and the figures, the words will govern. An appropriate Power of Attorney shall be submitted if the Bid is executed by other than an official of the Bidder, showing that signer of Bid has the authority to obligate the Bidder.

**BID DOCUMENT VOLUME II MUST BE SUBMITTED AS A WHOLE, BOUND AND INTACT. DO NOT REMOVE ANY PAGES FROM BID DOCUMENT VOLUME II. ANY ADDENDA SHALL BE STAPLED TO BID DOCUMENT VOLUME II AND SHALL BECOME A PART OF THIS DOCUMENT. FAILURE TO DO SO WILL RESULT IN AN IMMEDIATE REJECTION OF THE BID. ADDITIONAL SHEETS ARE ALLOWABLE, AND MAY BE STAPLED TO THE BACK OF BID DOCUMENT VOLUME II.**

- B. Prices, wording, and notations must be in ink or typewritten. No erasures will be permitted. Mistakes may be crossed out and corrections typed or written in ink adjacent thereto, and must be initialed in ink by the person or persons signing the Bid or the authorized agent. Any alterations in the Contract Documents not thus initialed will be disregarded.
- C. Bids shall not contain any recapitulation of the Work or change in the phraseology. Unauthorized conditions, limitations or provisions attached to a Bid will render it informal and may cause its rejection. Alternative Bids or Incomplete Bids will not be received or considered unless required by the Contract Documents. No oral, facsimile, or telephonic proposals or modifications will be considered.
- D. Delivery of Bids shall comply with the Notice Inviting Bids as to place, date, and time. Bids shall be enclosed in a sealed opaque envelope bearing the Work title.
- E. In the event that the Bidder is a joint venture, there shall be submitted with the Bid, certifications signed by authorized officers of each of the parties to the joint venture, naming the individual who shall be the agent of the joint venture. The individual shall sign all necessary documents for the joint venture, and should the joint venture be the successful Bidder, shall act in all matters relative to the Contract resulting therefrom for the joint venture.
- F. Mailed Bids must be sent by the U.S. Postal Service, Registered or Certified Mail, Return Receipt Requested. The return receipt will be endorsed to show the date and time received. Mailed Bids not received at the required place before the date and time set for the receipt of Bids will be rejected. Misdirection of mailed Bids resulting in receipt of the Contractor's Bid after the required date and time will render the Bid non-responsive and will result in rejection of the Bid.

IB-05 WITHDRAWAL OF BIDS. Any Bidder may withdraw his Bid prior to the date and time set for the receipt of Bids, either in person or by written notice delivered to RMWD before said

date and time. Faxed withdrawal notices are not allowed. Mailed withdrawal notices must be received before said date and time. Misdirection of mailed withdrawal notices resulting in receipt of said notice after the date or time set for receipt of Bids will render the withdrawal notice invalid.

IB-06 INTERPRETATIONS. Should any Bidder find discrepancies in or omissions from the Contract Documents, or if there should be doubt as to the true meaning of any part thereof, the Bidder shall at once submit a written request for correction, clarification, or interpretation. Such requests shall be submitted in writing to RMWD to [drubio@rainbowmwd.com](mailto:drubio@rainbowmwd.com) not later than the date and time specified in the Notice Inviting Bids, Section 00020.

- A. If RMWD or the District Engineer determines the Contract Documents require changes, correction, clarification, or interpretation prior to the receipt of Bids, an appropriate Addendum will be issued.
- B. RMWD, the District Engineer, and their officers, employees, and agents will not be responsible for any changes, instructions, clarifications, interpretations, or other information pertaining to the Contract Documents given to Bidders during the bidding period in any manner other than written Addendum.

IB-07 BID PRICES.

- A. Bid prices shall be stated in United States dollars.
- B. Each proposed lump sum or unit price shall cover all costs and charges, including without limitation the costs of materials, labor, fabrication, construction, delivery, installation or application, supervision, insurance charges, overhead, profit and taxes.
- C. No separate payment will be made for items other than those on the Bid Proposal Form unless specifically mentioned in these Contract Documents. The costs of overhead, administration, materials, equipment, supplies, insurance, bonds, meetings, temporary facilities, construction utilities, quality control not otherwise specified, and all other such items specified, indicated or otherwise required to complete the Work shall be included in the unit prices and/or lump sum prices.
- D. The Bid price for mobilization shall not exceed five percent (5%) of the cumulative total price for all other items identified in the Bid Proposal Form. (See Section 01505 regarding mobilization.)

IB-08 SUBCONTRACTOR LIST. Each Bidder shall list in the spaces provided in the Bid Proposal Form: (1) the name and business address of each Subcontractor proposed to perform or render service for a portion of the Work, or to specially fabricate and install a portion of the Work, if the value of such subcontracted portion exceeds one-half of one percent (0.5%) of the Bidder's total or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half of 1 percent of the prime contractor's total bid or ten thousand dollars (\$10,000), whichever is greater, and (2) the portion of the Work to be performed by each proposed Subcontractor. Only one Subcontractor shall be listed for each portion of the Work so defined by the Bidder. Proposed Subcontractors must be licensed according to the State and jurisdiction where the Work is located. Proposed Subcontractors must be registered with the DIR and have paid the annual fee pursuant to Section 1725.5 of the California Labor Code. No change may be made to the listing after receipt of Bids without the written consent of RMWD.

- IB-09 ADDENDA. Full consideration shall be given to all Addenda in the preparation of Bids, as Addenda form a part of the Contract Documents. Bidders shall verify the number of Addenda issued, if any, and acknowledge the receipt of all Addenda in the Bid. Failure to so acknowledge may cause the Bid to be rejected. Addenda may modify previously issued Addenda. No Addendum will be issued within 72 hours of the advertised Bid closing date and time without an appropriate adjustment to the Bid closing date and time.
- IB-10 AWARD. Bids will be publicly opened and read aloud at RMWD. Award of the Contract or the rejection of Bids will be made during the time accorded to review Bids.
- A. The Contract for the Work, if awarded, will be awarded to the eligible Bidder submitting the lowest responsive responsible Bid complying with these Instructions to Bidders, and other bidding requirements in the Contract Documents. By submitting a Bid, each Bidder agrees and consents that RMWD, in determining the successful Bidder and his eligibility for the award, may ascertain and consider the Bidder's experience and facilities, conduct and performance under other contracts, financial condition, reputation in the industry, and other factors which could affect the Bidder's performance of the Work.
  - B. The lowest Bid will be determined based on the Total Bid amount identified on all Bids received by RMWD.
  - C. The successful Bidder shall execute the Contract Agreement within ten (10) work days after the date of the Notice of Award. The contract time is hereby established as consecutive work days from the date of receipt of the Notice to Proceed. Bidder shall furnish evidence of insurance as required herein, and the Contract Agreement shall be executed in the form provided by RMWD.
  - D. If a Bidder receiving a Notice of Award fails or refuses to execute the Contract Agreement within the stated time limit, or fails or refuses to furnish Payment and Performance Bonds, evidence of insurance, or any other document required by the Contract Documents, RMWD may annul the award and issue an award to the next lowest responsive responsible Bidder or may reject all Bids.
  - E. A corporation receiving the award shall furnish evidence of its corporate existence and evidence that the person signing the Contract Agreement for the corporation is duly authorized to do so.
  - F. If the successful Bidder shall fail or refuse to furnish, execute and deliver to RMWD said agreement within stated time limit or should fail or refuse to furnish Performance Bond and Payment Bond or other required document in the time stated in the Bid, then Bidder shall forfeit its Bid Security or Bid Guaranty Bond, as applicable.
- IB-11 INSURANCE. The successful Bidder shall furnish to RMWD evidence of insurance ensuring the payment of all obligations arising from the Work. Insurance shall comply with the requirements in the General Conditions. Insurance certificates shall be delivered to RMWD at the time and place the Contract Agreement is executed.
- IB-12 RIGHTS RESERVED. RMWD reserves the right to reject any or all Bids, to waive any informality or irregularity in any Bid, to have performed the entire Work defined by the Contract Documents or such parts of said Work as RMWD may elect, to combine various alternative bids and bid items within a Bid, and to accept or reject one or more separately

scheduled bid items within a Bid. RMWD further reserves the right to withhold issuance of the Notice to Proceed, after execution of the Contract Agreement, for the period not to exceed sixty (60) calendar days after the date the Contract Agreement is executed. No additional payment will be made to the successful Bidder on account of such withholding.

- IB-13 LOCAL WAGE RATES. In accordance with the laws of the state Department of Industrial Relations and jurisdiction where the Work is located, RMWD has determined and adopted the general prevailing per diem wages, including wages for overtime and holiday work, for each craft or type of workman needed in the execution of the Work. Said wages shall be the minimum paid to workmen employed for the Work. Copies of the wage determination are on file and may be obtained by interested parties at Rainbow Municipal Water District, 3707 Old Highway 395, Fallbrook, California 92028.
- IB-14 SEPARATE BID PRICE FOR EXCAVATION SAFETY MEASURES. If it is necessary for the Contractor to perform an excavation of 5 ft or more then the requirements of Sections 6705 and 6707 of the California Labor Code apply to this Project. Accordingly, each Bidder shall state in the Bid the lump sum bid price for providing shoring, sheeting, bracing, and other safety measures for all excavations five (5) feet or more in depth. Before any Work is commenced, the Contractor shall secure and pay for the excavation permit required by the California Division of Occupational Safety and Health, and shall furnish RMWD with a copy thereof prior to commencing any excavation. The Contractor shall conform to Labor Code Section 6705 by submitting a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such excavations, trench or trenches or during the pipe installation therein. This plan must be prepared for all trenches five feet or more in depth, submitted by the Contractor, and accepted by RMWD or by a registered civil or structural District Engineer employed by RMWD to whom the authority to accept has been delegated, in advance of excavation. If the plan varies from the shoring system standards established by the Construction Safety Orders, the plan shall be prepared by a registered civil or structural District Engineer at the Contractor's expense.

**END OF SECTION 00100**

**SECTION 00500**

**CONTRACT AGREEMENT**

THIS CONTRACT AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Rainbow Municipal Water District, 3707 Old Highway 395, Fallbrook, California, 92028, hereinafter called "RMWD" and \_\_\_\_\_, hereinafter called "Contractor".

WITNESSETH

WHEREAS, RMWD has caused Specifications, Drawings, and other Contract Documents to be prepared for certain Work described as the **Via Ararat Pipeline Improvement Project**.

WHEREAS, Contractor has offered to perform the proposed Work in accordance with the terms of the Contract Documents,

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, Contractor hereby agrees to complete the Work at the prices and on the Terms and conditions herein contained, and RMWD hereby employs the Contractor and agrees to pay him/her the Contract Prices provided herein for the fulfillment of the Work and the performance of the covenants set forth herein.

***The contract time is hereby established as 45 work days. The contract time shall be consecutive work days from the date of receipt of the Notice to Proceed.***

The further terms, conditions and covenants of the Contract are set forth in the following exhibit parts, each of which is by this reference made a part hereof:

- Legal and Procedural Documents, including the Bidding Requirements and the Contract Forms;
- Conditions of the Contract;
- Specifications, including Technical Specifications;
- Drawings;
- Addenda;
- Notice of Award; and
- Notice to Proceed.

For each calendar day of unauthorized delay in completion of the work, Contractor shall be assessed liquidated damages. The provisions of section 4.4 of the General Conditions are incorporated herein by reference. This provision shall be construed in accordance with Government Code Section 53069.85.

IN WITNESS WHEREOF, this Contract Agreement has been executed on the day and year first above written.

**Rainbow Municipal Water District**  
RMWD

\_\_\_\_\_  
Contractor

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
License No.

**Tom Kennedy, General Manager**  
Name/Title

By: \_\_\_\_\_  
\*Signature

\_\_\_\_\_  
Name/Title (Please Print)

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

**Dawn Washburn, Executive Secretary**  
Name /Title

\_\_\_\_\_  
Name/Title (Please Print)

APPROVED:

By: \_\_\_\_\_  
Signature

**Alfred Smith, Legal Counsel**  
Name /Title

*\*Signature must be accompanied by notarized document citing the individual's relationship to the Party of the Contract and his/her power to sign on behalf of the Party.*

**END OF SECTION 00500**

**SECTION 00610**

**PERFORMANCE BOND**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT \_\_\_\_\_, hereinafter called Principal, and \_\_\_\_\_  
\_\_\_\_\_, hereinafter called Surety, are jointly and severally held and firmly  
bound unto the Rainbow Municipal Water District, 3707 Old Highway 395, Fallbrook, California,  
92028, hereinafter called RMWD, its successors and assigns in the penal sum of  
\_\_\_\_\_ Dollars (\$\_\_\_\_\_) )  
lawful money of the United States, for the payment whereof until, the Principal and Surety jointly  
and severally bind themselves, their heirs, executors, administrators, and successors, jointly  
and severally, forever firmly by these presents.

WHEREAS, RMWD has awarded to Principal the Work entitled:

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT** (the "Contract"), and

WHEREAS, Principal is required under the terms of the Contract to furnish a bond for  
the faithful performance of the Contract,

NOW, THEREFORE, the condition of this obligation is such that if Principal shall  
faithfully perform the covenants, conditions and agreements in the Contract and any changes  
made as therein provided, at the time and in the manner therein specified, and in all respects  
according to their true intent and meaning, and shall indemnify and save or hold harmless  
RMWD, its directors, officers, employees, Engineer and agents as therein stipulated, then this  
obligation shall become null and void; otherwise, it shall remain in full force and effect, and  
Principal and Surety, in the event suit is brought on this bond, will pay to RMWD sufficient funds  
to complete the Scope of Work required by the Contract.

As a condition precedent to the satisfactory completion of the Contract, the above  
obligation shall hold good for a period of not less than one (1) year after the completion of the  
Work and its acceptance by RMWD, during which time if Principal, his or its heirs, executors,  
administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair  
and replacements and totally protect RMWD from loss or damage made evident during the  
period of not less than one (1) year from the date of acceptance of the Work, and resulting from  
or caused by defective materials and/or faulty workmanship, the above obligation in penal sum  
thereof shall remain in full force and effect. However, notwithstanding anything in this  
paragraph to the contrary, the obligation of Surety hereunder shall continue so long as any  
obligation of Principal remains.

AND, Surety, for value received, hereby stipulates and agrees that no change,  
extension of time, alteration of addition to the terms of the Contract or to the Work to be  
performed thereunder or the Specifications and Drawings accompanying the same, or any

change or modification of any terms of payment or extension of time for any payment pertaining or relating to the Contract Documents, shall in any way affect its obligations to this bond, and it does hereby waive notice of any such change, extension of time, alteration, addition or modification to the terms of the Contract or to the Work or to the Drawings and Specifications. The Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees and court costs, incurred by RMWD in successfully enforcing any and all obligations hereunder, all to be taxed as costs and included in any judgment rendered.

AND IT IS HEREBY DECLARED AND AGREED that this obligation shall be binding upon and inure to the benefit of Principal, Surety and RMWD and their respective heirs, executors, administrators, successors and assigns.

SIGNED AND SEALED THIS \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Principal

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Surety

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
(Surety's Mailing Address)

\_\_\_\_\_  
(Telephone Number)

(Attach Notary Acknowledgement of Surety)

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Attorney for RMWD

NOTE: *The principal amount of this bond shall not be less than one hundred percent (100%) of the total Contract Price.*

**END OF SECTION 00610**

**SECTION 00620**

**PAYMENT BOND**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT \_\_\_\_\_, hereinafter called Principal, and \_\_\_\_\_  
\_\_\_\_\_, hereinafter called Surety, are jointly and severally held and firmly  
bound unto the Rainbow Municipal Water District, 3707 Old Highway 395, Fallbrook, California,  
92028, hereinafter called RMWD, its successors and assigns in the penal sum of  
\_\_\_\_\_ Dollars (\$\_\_\_\_\_)  
lawful money of the United States, for the payment whereof unto RMWD, the Principal and  
Surety jointly and severally bind themselves, their heirs, executors, administrators, and  
successors, jointly and severally, forever firmly by these presents.

WHEREAS, RMWD has awarded to Principal the Work entitled:

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT** (the "Contract"), and

WHEREAS, said Principal is required to furnish a Payment Bond in connection with  
said Contract.

NOW, THEREFORE, the condition of this obligation is such that if said Principal, his or  
its heirs, executors, administrators, successors, or assigns, or any of his/her Subcontractors,  
shall fail to pay any of the persons authorized by Civil Code 9100 to assert a claim against a  
payment bond, or amounts due under the Unemployment Insurance Code with respect to work  
or labor performed under the Contract, or for any amounts required to be deducted, withheld,  
and paid over to the Franchise Tax Board from the wages of employees of the Principal and  
his/her subcontractors pursuant to Section 18668 of the Revenue and Taxation Code, with  
respect to such work and labor, or any amounts required to be deducted, withheld, and paid  
over the Employment Development Department from the wages of employees of the Principal  
and Subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with  
respect to the work and labor, or for any work or labor for which a bond is required by the  
provisions of Sections 9550 through 9566 of the Civil Code, and provided that the persons,  
companies, or corporations so furnishing said materials, provisions, or other supplies,  
appliances, owned or used, in, upon, for, or about the performance of the work contracted to be  
executed or performed, or any person who performs work or labor upon the same, or any  
person who supplies both work and materials, thereto, shall have complied with the provisions  
of the Civil Code, then the Surety will pay the same or an amount not exceeding the amount  
herein above set forth, and also will pay in case suit is brought upon this bond, reasonable  
attorneys' fees and costs of RMWD as shall be fixed by the court.

This bond shall insure to the benefit of any and all persons, companies, and  
corporations authorized by Civil Code 9100 to assert a claim against a payment bond, so as to  
give a right of action to them or their assigns in any suit brought upon this bond.

And the Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the Work to be performed thereunder, the Drawings and Specifications accompanying the same or any change or modification of any terms of payment or extension of time for any payment pertaining or relating to the Contract Documents, shall in any way affect its obligations on this bond, and its does hereby waive notice of any such change, extension of time, alteration, addition, or modification to the terms of the Contract or to the Work or to the Drawings and Specifications.

The Surety hereby waives the provisions of Sections 2819 of the Civil Code.

AND IT IS HEREBY DECLARED AND AGREED that this obligation shall be binding upon and inure to the benefit of Principal, Surety and RMWD and their respective heirs, executors, administrators, successors and assigns.

SIGNED AND SEALED THIS \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Principal

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Surety

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
(Surety's Mailing Address)

\_\_\_\_\_  
(Telephone Number)

*(Attach Notary Acknowledgement of Surety)*

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Attorney for RMWD

NOTE: *The principal amount of this bond shall not be less than one hundred percent (100%) of the total Contract Price.*

Via Ararat Pipeline Improvement Project  
May 2019

Payment Bond  
00620-3

**END OF SECTION 00620**

**SECTION 00630**

**ESCROW AGREEMENT FOR SECURITY DEPOSIT IN LIEU OF RETENTION**

This Escrow Agreement is made and entered into by and between **Rainbow Municipal Water District (RMWD)** whose address is **3707 Old Highway 395, Fallbrook, CA 92028** hereinafter called "RMWD" and \_\_\_\_\_ whose address is \_\_\_\_\_ hereinafter called "Contractor," and \_\_\_\_\_ whose address is \_\_\_\_\_ hereinafter called Escrow Agent."

For the consideration hereinafter set forth, RMWD, Contractor, and Escrow Agent agree as follows:

(1) Pursuant to Section 22300 of the Public Contract Code of the State of California, Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention earnings required to be withheld by RMWD pursuant to the Construction Contract entered into between RMWD and Contractor for:

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

in the amount of \_\_\_\_\_ dated \_\_\_\_\_ (hereinafter referred to as the "Contract"). Alternatively, on written request of the Contractor, RMWD shall make payments of the retention earnings directly to the Escrow Agent. When Contractor deposits the securities as a substitute for Contract earnings, the Escrow Agent shall notify RMWD within ten (10) calendar days of the deposit. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between RMWD and Contractor. Securities shall be held in the name of RMWD, and shall designate the Contractor as the beneficial owner.

(2) RMWD shall make progress payments to the Contractor for such funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that the Escrow Agent holds securities in the form and amount specified above.

(3) When RMWD makes payment of retention earned directly to the Escrow Agent, the Escrow Agent shall hold them for the benefit of the Contractor until such time as the escrow created under this Contract is terminated. The Contractor may direct the investment of the payments into securities. All terms and conditions of this agreement and the rights and responsibilities of the parties shall be equally applicable and binding when RMWD pays the Escrow Agent directly.

(4) Contractor shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administering the Escrow Account and all expenses of RMWD. These expenses and payment terms shall be determined by RMWD, Contractor and Escrow Agent.

(5) The interest earned on the securities or the money market accounts held in escrow and all interest earned on that interest shall be for the sole account of Contractor and shall be subject to withdrawal by the Contractor at any time and from time to time without notice to RMWD.

(6) Contractor shall have the right to withdraw all or any part of the principal in the Escrow Account only by written notice to Escrow Agent accompanied by written

authorization from RMWD to the Escrow Agent that RMWD consents to the withdrawal of the amount sought to be withdrawn by Contractor.

(7) RMWD shall have a right to draw upon the securities in the event of default by the Contractor. Upon seven (7) calendar days written notice to the Escrow Agent from RMWD of the default, the Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by RMWD.

(8) Upon receipt of written notification from RWMD certifying that the Contract is final and complete, and that the Contractor has complied with all requirements and procedures applicable to the Contract, Escrow Agent shall release to Contractor all securities and interest on deposit less escrow fees and charges of the Escrow Account. The escrow shall be closed immediately upon disbursement of all moneys and securities on deposit and payments of fees and charges.

(9) Escrow Agent shall rely on the written notifications from RMWD and the Contractor pursuant to Sections (5) to (8), inclusive, of this agreement and RMWD and Contractor shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest as set forth above.

(10) The names of the persons who are authorized to give written notice or to receive written notice on behalf of RMWD and on behalf of Contractor in connection with the foregoing, and exemplars of their respective signatures are as follows:

*On behalf of RMWD:*

*On behalf of Contractor:*

General Manager

Title

\_\_\_\_\_

Title

\_\_\_\_\_

Name

\_\_\_\_\_

Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Signature

3707 Old Highway 395, Fallbrook, CA 92028

Address

\_\_\_\_\_

Address

*On behalf of Escrow Agent:*

\_\_\_\_\_

Title

\_\_\_\_\_

Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Address

At the time the Escrow Account is opened, RMWD and Contractor shall deliver to the Escrow Agent a fully executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement by their proper officers on the date first set forth above.

Rainbow Municipal Water District

Contractor

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

**END OF SECTION 00630**

**SECTION 00655**

**WORKER'S COMPENSATION INSURANCE CERTIFICATE**

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work of this Contract.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name/Title (Please Print)

ATTEST:

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name/Title (Please Print)

**END OF SECTION 00655**

**SECTION 00657**

**CERTIFICATE OF CONTRACTOR**

I, \_\_\_\_\_, certify that I am  
a/the \_\_\_\_\_ (designate sole proprietor, partner in partnership, or specify  
corporate office, e.g., secretary) in the entity named as Contractor in the foregoing Contract. I  
hereby expressly certify that the name of the entity to which I am associated is  
\_\_\_\_\_; that this  
entity is in good standing and has complied with all applicable laws and regulations, and that I  
have been expressly authorized by the proper parties in this entity to execute this contract on  
behalf of the above-named entity.

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name/Title (Please Print)

ATTEST:

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name/Title (Please Print)

**END OF SECTION 00657**

**SECTION 00660**

**CONTRACTOR RELEASE**

Description of Contract:

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

Name of Contractor: \_\_\_\_\_

Period Work Performed: \_\_\_\_\_

The above-named Contractor hereby acknowledges payment in full for all compensation of whatever nature due the Contractor for all labor and materials furnished and for all work performed on the above-referenced project for the period specified above with the exception of contract retention amounts and disputed claims specifically shown below.

RETENTION AMOUNT FOR THIS PERIOD: \$ \_\_\_\_\_

**DISPUTED CLAIMS**

<u>DESCRIPTION OF CLAIM</u>	<u>AMOUNT CLAIMED</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The Contractor further expressly waives and releases any claim the Contractor may have, of whatever type or nature, for the period specified which is not shown as a retention amount or a disputed claim on this form. This release and waiver has been made voluntarily by Contractor without any fraud, duress, or undue influence by any person or entity.

Contractor further certifies, warrants and represents that all bills for labor, materials and work due Subcontractors for the specified period have been paid in full and that the parties signing below on behalf of Contractor have express authority to execute this release.

Via Ararat Pipeline Improvement Project  
May 2019

Contractor Release  
00660-2

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Print Name of Contractor)

\_\_\_\_\_  
(Describe Entity: Partnership, Corporation, etc.)

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

**END OF SECTION 00660**

**SECTION 00662**

**CONTRACTOR'S CERTIFICATE**  
**REGARDING WORKERS' COMPENSATION**

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

Description of Contract: The Work includes, but is not limited to providing all labor, material and equipment to install approximately 665 linear feet (LF) of 12-inch diameter PVC C900 DR 14 water pipeline and connect into existing Cement Mortar Lined & Coated (CMLC) and Steel (STL) pipeline. Work includes demolition, excavation, installation of below grade pipeline, corrosion protection for adjacent pipes, valves and appurtenances, backfill and compaction, asphalt paving, slurry sealing the roadway and all related work. Contractor is to include removal of all spoils/debris as required. Fill dirt if required shall be certified tested and clear of any toxic substances and/or any corrosive materials. Traffic control to be included.

Labor Code Section 3700:

Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure either as an individual employer or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.
- (c) For any county, city, city and county, municipal corporation, public district, public agency, or any political subdivision of the state, including each member of a pooling arrangement under a joint exercise of powers agreement (but not the state itself), by securing from the Director of Industrial Relations a certificate of consent to self-insure against workers' compensation claims, which certificate may be given upon furnishing proof satisfactory to the director of ability to administer workers' compensation claims that may become due to its employees. On or before March 31, 1979, a political subdivision of the state which, on December 31, 1978, was uninsured for its liability to pay compensation, shall file a properly completed and executed application for a certificate of consent to self-insure against workers' compensation claims. The certificate shall be issued and be subject to the provisions of Section 3702.

For the purposes of this section, "state" shall include the superior courts of California.

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in

Via Ararat Pipeline Improvement Project  
May 2019

Contractor's Certificate (Workers' Compensation)  
00662-2

accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Via Ararat Pipeline Improvement Project  
May 2019

Contractor's Certificate (Workers' Compensation)  
00662-3

Dated: \_\_\_\_\_, \_\_\_\_

By: \_\_\_\_\_  
(Contractor)

By: \_\_\_\_\_  
(Authorized Representative of Contractor)

(Seal if Corporation)

Name/Title: \_\_\_\_\_  
(Please Print)

*(Labor Code Section 1861 provides that the above certificate must be signed and filed by the Contractor with RMWD prior to performing any work under this Contract.)*

**END OF SECTION 00662**

**SECTION 00664**

**CERTIFICATE OF INSURANCE**

**Description of Contract:**

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**Type of Insurance:** Workers' Compensation Insurance and Employer's Liability Insurance

**THIS IS TO CERTIFY** that the following policy has been issued by the below-stated company in conformance with the requirements of Article 6 of the General Provisions and is in force at this time.

The Insurance Company will give at least 30 calendar days written notice by certified mail to RMWD prior to any material change or cancellation of said policy. (10 calendar days for non-payment).

**POLICY NO./EXPIRATION DATE**

**LIMITS OF LIABILITY**

**A. WORKERS' COMPENSATION**

Statutory Limits Under the Laws of the State  
of California

Policy No. \_\_\_\_\_

Expiration Date \_\_\_\_\_

**B. EMPLOYER'S LIABILITY**

Each Employee

Each Accident

Bodily Injury by Accident

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Bodily Injury by Disease

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Policy No. \_\_\_\_\_

Expiration Date \_\_\_\_\_

\_\_\_\_\_  
Name Insured (Contractor)

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
City, State, and Zip Code

\_\_\_\_\_  
City, State, and Zip Code

By: \_\_\_\_\_  
(Insurance Company Representative)

---

(See Notice on Page 2)

(Attach Notary Acknowledgement of Insurance Company Agent)

Insurance Company Agent for Service  
of Process in California:

---

Name

---

Agency

---

Street Number

---

Street Number

---

City, State, and Zip Code

---

City, State, and Zip Code

---

Telephone Number

---

Telephone Number

This certificate or verification of insurance is not an insurance policy and does not amend, extend, or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions, and conditions of such policies.

NOTICE: Unless otherwise specified in writing by RMWD at RMWD's sole discretion, no substitution or revision to the above certificate form will be accepted. If the insurance called for is provided by more than one insurance company, a separate certificate in the exact above form shall be provided for each insurance company.

**END OF SECTION 00664**

**SECTION 00666**

**INSURANCE ENDORSEMENT**

**Description of Contract:**

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**Type of Insurance:** Workers' Compensation Insurance and Employer's Liability Insurance

This endorsement forms a part of Policy No. \_\_\_\_\_

**ENDORSEMENT**

It is agreed that with respect to such insurance as is afforded by the policy, the Insurance Company named below waives any right of subrogation it may acquire against the RMWD and/or its directors, officers, officials, agents, employees and volunteers by reason of any payment made on account of injury, including death resulting therefrom, sustained by the insured, any employee of the insured, or the insured's agents and/or subcontractors arising out of the performance of the above-referenced Contract.

This endorsement does not increase the Insurance Company's total limits of liability.

\_\_\_\_\_  
Name Insured (Contractor)

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
City, State, and Zip Code

\_\_\_\_\_  
City, State, and Zip Code

By: \_\_\_\_\_  
(Insurance Company Representative)  
(See Notice on Page 2)

*(Attach Notary Acknowledgement of Insurance Company Agent)*

**NOTICE:** *Unless otherwise specified in writing by RMWD at RMWD's sole discretion, no substitution or revision to the above endorsement form will be accepted. If the insurance called for is provided by more than one policy, a separate endorsement in the exact above form shall be provided for each policy.*

**END OF SECTION 00666**

**SECTION 00668**

**CERTIFICATE OF INSURANCE**

**Description of Contract:**

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**Type of Insurance:** Liability Insurance

THIS IS TO CERTIFY that the following policies have been issued by the below-stated Insurance Company in conformance with the requirements of Article 6 of the General Provisions and are in force at this time. The policy shall be an occurrence policy with a deductible not to exceed \$5,000.

POLICY NUMBER & EXPIRATION DATE		LIMITS OF LIABILITY (thousands)	
		Occurrence	Aggregate
_____	A. GENERAL LIABILITY		
_____	Bodily Injury, Personal Injury, and Property Damage Combined	\$ _____	\$ _____
_____	B. EXCESS GENERAL LIABILITY	\$ _____	\$ _____
_____	C. AUTOMOBILE LIABILITY		
_____	Bodily Injury and Property Damage Combined	\$ _____	\$ _____
_____	D. EXCESS AUTOMOBILE LIABILITY	\$ _____	\$ _____
_____			

_____	E. BUILDER'S RISK		
_____			
_____		\$ _____	\$ _____
_____	F. CONTRACTOR'S		
_____	POLLUTION LEGAL		
_____	LIABILITY/ASBESTOS		
_____	LEGAL LIABILITY/		
_____	ERRORS AND		
_____	OMISSIONS	\$ _____	\$ _____

The following types of coverage are included in said policies (indicate by "X" in space):

A. GENERAL LIABILITY

Comprehensive Form.....	YES	NO
Premises-Operations.....	YES	NO
Explosion and Collapse Hazard.....	YES	NO
Underground Hazard.....	YES	NO
Products/Completed Operations Hazard.....	YES	NO
Contractual Insurance.....	YES	NO
Broad Form Property Damage, Including:		
Completed Operations.....	YES	NO
Independent Contractors.....	YES	NO
Personal Injury.....	YES	NO

B. EXCESS GENERAL LIABILITY

Umbrella Form.....	YES	NO
Other Than Umbrella Form.....	YES	NO

If other than Umbrella Form, please explain below:

C. AUTOMOBILE LIABILITY

Comprehensive Form Including Loading and Unloading.....	YES	NO
Owned.....	YES	NO
Hired.....	YES	NO
Non-Owned.....	YES	NO

D. EXCESS AUTOMOBILE LIABILITY

Umbrella Form.....	YES	_____	NO	_____
Other Than Umbrella Form.....	YES	_____	NO	_____

If other than Umbrella Form, please explain below:

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This certificate or verification of insurance is not an insurance policy and does not amend, extend, or alter the coverage afforded by the policies listed herein. However, the insurance provided shall meet the requirements of the Contract Documents and include coverage as specified in this certificate.

---

Name Insured (Contractor)

---

Insurance Company

---

Street Number

---

Street Number

---

City, State, and Zip Code

---

City, State, and Zip Code

By: \_\_\_\_\_  
(Insurance Company Representative)  
(See Notice on Page 4)

*(Attach Notary Acknowledgement of Insurance Company Agent)*

*Insurance Company Agent for Services  
Of Process in California:*

_____ Name	_____ Agency
_____ Street Number	_____ Street Number
_____ City, State, and Zip Code	_____ City, State, and Zip Code
_____ Telephone Number	_____ Telephone Number

This certificate or verification of insurance is not an insurance policy and does not amend, extend, or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions, and conditions of such policies.

Insurers must be authorized to do business and have an agent for service of process in California and have an "A" policyholder's rating and a financial rating of at least Class VII in accordance with the most current Best's Rating.

*NOTICE: Unless otherwise specified by RMWD in its sole discretion, no substitution or revision to the above certificate form will be accepted. If the insurance called for is provided by more than one insurance company, a separate certificate in the exact above form shall be provided for each insurance company.*

**END OF SECTION 00668**

**SECTION 00670**

**INSURANCE ENDORSEMENT**

**Description of Contract:**

**VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**Type of Insurance:** Liability Insurance

This endorsement forms a part of Policy No. \_\_\_\_\_

**ENDORSEMENT**

RMWD its officers, officials, directors, employees, and volunteers are to be covered as additional insureds, under said policies but only while acting in their capacity as such and only as respects operations of the named insured, his contractors, any subcontractor, any supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable in the performance of the above referenced contract. This insurance shall not apply if the loss or damage is ultimately determined to be the result of the sole and exclusive negligence (including any connected with the preparation or approval of maps, drawings, opinions, reports, surveys, designs, or specifications) of one or more of the aforesaid additional insureds. The insurance afforded to these additional insured is primary insurance. If the additional insured have other insurance or self insurance which might be applicable to any loss, this insurance shall be primary and the amount of this insurance shall not be reduced or prorated by the existence of such other insurance or self insurance. Any insurance or self insurance maintained by the additional insureds shall be excess of the Contractor's insurance and shall not contribute with it.

The Contractual Liability Insurance afforded is sufficiently broad to insure all of the matters set forth in the article entitled "BONDS, INSURANCE, AND INDEMNITY" in the General Conditions of the above-referenced contract except those matters set forth in the third paragraph thereof.

This endorsement does not increase the Company's total limits of liability.

\_\_\_\_\_  
Name Insured (Contractor)

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
City, State, and Zip Code

\_\_\_\_\_  
City, State, and Zip Code

By: \_\_\_\_\_  
(Insurance Company Representative)  
(See Notice on Page 2)

*(Attach Notary Acknowledgement of Insurance Company Agent)*

Insurers must be authorized to do business and have an agent for services of process in California and have an "A" policyholder's rating and a financial rating of at least Class VII in accordance with the most current Best's Rating.

*NOTICE: Unless otherwise specified by RMWD in its sole discretion, no substitution or revision to the above certificate form will be accepted. If the insurance called for is provided by more than one policy, a separate endorsement in the exact above form shall be provided for each policy.*

**END OF SECTION 00670**

**SECTION 00680**

**NOTICE OF AWARD**

To: \_\_\_\_\_ Date: \_\_\_\_\_  
Contractor

Project: **VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

Your Bidder's Proposal dated \_\_\_\_\_, \_\_\_\_\_, is accepted.

You are required by the Notice and Instructions to Bidders to execute the Contract Documents within ten (10) work days of the date of mailing of this notice (not including weekends and holidays).

Received:

\_\_\_\_\_  
Contractor **Rainbow Municipal Water District**  
RMWD

By: \_\_\_\_\_ By: \_\_\_\_\_

\_\_\_\_\_  
Name /Title: **Steve Strapac, District Engineer**  
Name/Title:

Date: \_\_\_\_\_ Date: \_\_\_\_\_

**END OF SECTION 00680**

**SECTION 00685**

**NOTICE TO PROCEED**

To: \_\_\_\_\_ Date: \_\_\_\_\_  
Contractor

Project: **VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

You are hereby notified to commence Work in accordance with the Agreement dated \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and you are to complete the Work prior to \_\_\_\_\_.

\_\_\_\_\_  
Rainbow Municipal Water District

By: \_\_\_\_\_

Title: District Engineer

**ACCEPTANCE OF NOTICE**

Receipt of the above Notice to Proceed is hereby acknowledged by \_\_\_\_\_  
this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name: \_\_\_\_\_  
(Print)

By: \_\_\_\_\_

Title: \_\_\_\_\_

**END OF SECTION 00685**

**SECTION 00686**

**UNCONDITIONAL RELEASE AND CERTIFICATE OF FINAL PAYMENT**

To: Rainbow Municipal Water District  
3707 Old Highway 395  
Fallbrook, CA 92028

Project No. \_\_\_\_\_

Contract Dated \_\_\_\_\_

**CONTRACTOR:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

**DESCRIPTION OF PROJECT: VIA ARARAT PIPEINE IMPROVEMENT PROJECT**

**DESCRIPTION OF SITE (LOCATION):**

\_\_\_\_\_  
\_\_\_\_\_

With reference to said Contract, as amended, between the undersigned Contractor and RMWD, the Undersigned hereby certifies and represents that it has made full payment of all costs, charges and expenses incurred by it or on its behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used in connection with its work under said Contract.

The undersigned further certifies that to its best knowledge and belief, each of its subcontractors and material suppliers has made full payment of all costs, charges and expenses incurred by them or on their behalf for work, labor, services, materials and equipment supplied to the foregoing site and/or used by them in connection with the Undersigned's work under said Contract.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

The foregoing shall not relieve the Undersigned of its obligations under the provisions of said Contract, as amended, which by their nature survive completion of the work including, without limitation, warranties, guarantees and indemnities.

Via Ararat Pipeline Improvement Project  
May 2019

Release and Certificate of Final Payment  
00686-3

Executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Name of Contractor)

By: \_\_\_\_\_

Title: \_\_\_\_\_

*(Attach Notary Acknowledgement)*

Distribution:

Original	-	County Recorder
Copy	-	Contractor

**END OF SECTION 00686**

**RECORDING REQUESTED BY:**

Rainbow Municipal Water District

**WHEN RECORDED RETURN TO:**

Rainbow Municipal Water District  
3707 Old Highway 395  
Fallbrook, California 92028

**MAIL TAX STATEMENTS TO:**

NO FEE REQUIRED PER GOVERNMENT  
CODE SECTION 27383

**SECTION 00687**

**NOTICE OF COMPLETION**

To: \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Project No.: \_\_\_\_\_  
Owner: Rainbow Municipal Water District Date of Completion: \_\_\_\_\_  
3707 Old Highway 395  
Fallbrook, CA 92028

**OWNER'S ESTATE OF INTEREST:**

Easement \_\_\_\_\_ Fee Owner \_\_\_\_\_ Encroachment Permit \_\_\_\_\_  
Other (describe) \_\_\_\_\_  
\_\_\_\_\_

**CONTRACTOR FOR WORK OF IMPROVEMENT AS A WHOLE:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

**TITLE OF PROJECT: VIA ARARAT PIPELINE IMPROVEMENT PROJECT**

**DESCRIPTION OF PROJECT:** \_\_\_\_\_  
\_\_\_\_\_

**LEGAL DESCRIPTION OF SITE:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

ADDRESS OF THE SITE: \_\_\_\_\_

---

This Notice is given for (check one):

- ☐ Completion of the work of improvement as a whole.  
☐ Completion of a contract for a particular portion of the work of improvement (per Cal. Civ. Code § 8186).

If this notice is given only of completion of a contract for a particular portion of the work of improvement, the name and address of the direct contractor under that contract is:

---

Final payment will be made to the above contractor on or after thirty-five (35) calendar days from the recording date of this Notice of Completion, except where otherwise provided for by law.

#### VERIFICATION

I, the undersigned state that I am the \_\_\_\_\_ of the Rainbow Municipal Water District, the public agency authorizing the Work of Improvement referred to in the foregoing Notice of Completion; that I have executed such Notice of Completion on behalf of such public agency and likewise make this verification on behalf of said public agency; and that I have read said Notice of Completion and know the contents thereof and the facts therein stated are true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

---

Date and Place

---

Steve Strapac, District Engineer  
Rainbow Municipal Water District  
3707 Old Highway 395, Fallbrook, CA 92028

Distribution:

Original - County Recorder  
Copy - Contractor

**END OF SECTION 00687**

**SECTION 00692**

**CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT**

California Civil Code Section 8132

**NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.**

**Identifying Information**

Name of Claimant: \_\_\_\_\_

Name of Customer: \_\_\_\_\_

Job Location: \_\_\_\_\_

Owner: \_\_\_\_\_

Through Date: \_\_\_\_\_

**Conditional Waiver and Release**

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: \_\_\_\_\_

Amount of Check: \$ \_\_\_\_\_

Check Payable to: \_\_\_\_\_

**Exceptions:** \_\_\_\_\_

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) The following progress payments for which the claimant has previously given a

conditional waiver and release but has not received payment:

Date(s) of waiver and release: \_\_\_\_\_

Amount(s) of unpaid progress payment(s): \_\_\_\_\_

(4) Contract rights, including:

(A) a right based on rescission, abandonment, or breach of contract, and

(B) the right to recover compensation for work not compensated by the payment.

**SIGNATURE**

Claimant's Signature: \_\_\_\_\_

Claimant's Title: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Note: Where the claimant is required to execute a waiver and release in exchange for or in order to induce the payment of a progress payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially this form. This form of release complies with the requirements of California Civil Code Section 8132.

The Contractor is required to obtain from each subcontractor and supplier this conditional waiver and release of claims for each preliminary notice received by RMWD. Final payment shall be held in abeyance pending receipt of release of claims from all subcontractors or suppliers.

Alternatively, the final payment will be made by check payable to the Contractor and subcontractor or supplier to the extent the subcontractor or supplier has not been paid as shown on the preliminary notice.

**END OF SECTION 00692**

**SECTION 00693**

**UNCONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT**

California Civil Code Section 8134

**NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.**

**Identifying Information**

Name of Claimant: \_\_\_\_\_

Name of Customer: \_\_\_\_\_

Job Location: \_\_\_\_\_

Owner: \_\_\_\_\_

Through Date: \_\_\_\_\_

**Unconditional Waiver and Release**

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:

\$ \_\_\_\_\_

**Exceptions:**

\_\_\_\_\_

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) Contract rights, including:
  - (A) a right based on rescission, abandonment, or breach of contract, and

(B) the right to recover compensation for work not compensated by the payment.

**SIGNATURE**

Claimant's Signature: \_\_\_\_\_

Claimant's Title: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a progress payment and the claimant asserts in the waiver it has, in fact, been paid the progress payment, the waiver and release shall follow substantially this form. This form of release complies with the requirements of California Civil Code Section 8134.

The Contractor is required to obtain from each subcontractor and supplier this unconditional waiver and release of claims for each preliminary notice received by RMWD. Final payment shall be held in abeyance pending receipt of release of claims from all subcontractors or suppliers.

Alternatively, the final payment will be made by check payable to the Contractor and subcontractor or supplier to the extent the subcontractor or supplier has not been paid as shown on the preliminary notice.

**END OF SECTION 00693**

**SECTION 00694**

**CONDITIONAL WAIVER AND RELEASE UPON FINAL PAYMENT**

California Civil Code Section 8136

**NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.**

**Identifying Information**

Name of Claimant: \_\_\_\_\_

Name of Customer: \_\_\_\_\_

Job Location: \_\_\_\_\_

Owner: \_\_\_\_\_

**Conditional Waiver and Release**

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: \_\_\_\_\_

Amount of Check: \$ \_\_\_\_\_

Check Payable to: \_\_\_\_\_

**Exceptions**

This document does not affect any of the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Disputed claims for extras in the amount of: \$ \_\_\_\_\_

**SIGNATURE**

Claimant's Signature: \_\_\_\_\_

Claimant's Title: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Notice: Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a final payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially this form. This form of release complies with the requirements of California Civil Code Section 8136.

The Contractor is required to obtain from each subcontractor and supplier this conditional waiver and release of claims for each preliminary notice received by RMWD. Final payment shall be held in abeyance pending receipt of release of claims from all subcontractors or suppliers.

Alternatively, the final payment will be made by check payable to the Contractor and subcontractor or supplier to the extent the subcontractor or supplier has not been paid as shown on the preliminary notice.

**END OF SECTION 00694**

**SECTION 00695**

**UNCONDITIONAL WAIVER AND RELEASE UPON FINAL PAYMENT**

California Civil Code Section 8138

**NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.**

**Identifying Information**

Name of Claimant: \_\_\_\_\_

Name of Customer: \_\_\_\_\_

Job Location: \_\_\_\_\_

Owner: \_\_\_\_\_

**Unconditional Waiver and Release**

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has been paid in full.

**Exceptions**

This document does not affect any of the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Disputed claims for extras in the amount of: \$ \_\_\_\_\_

**SIGNATURE**

Claimant's Signature: \_\_\_\_\_

Claimant's Title: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a progress payment and the claimant asserts in the waiver it has, in fact, been paid the final payment, the waiver and release shall follow substantially this form. This form of release complies with the requirements of California Civil Code Section 8138.

The Contractor is required to obtain from each subcontractor and supplier this unconditional waiver and release of claims for each preliminary notice received by RMWD. Final payment shall be held in abeyance pending receipt of release of claims from all subcontractors or suppliers.

Alternatively, the final payment will be made by check payable to the Contractor and subcontractor or supplier to the extent the subcontractor or supplier has not been paid as shown on the preliminary notice.

**END OF SECTION 00695**

**SECTION 00700**

**GENERAL CONDITIONS**

ARTICLE 1 – DEFINITIONS

- 1.1 Terms used in the Contract Documents are defined in the “Glossary, Water and Wastewater Control Engineering” prepared by the Joint Editorial Board representing the American Public Health Association, American Society of Civil Engineers, American Water Works Association and the Water Pollution Control Federation, 1969 Edition, and are further defined herein. The terms shall have the meanings described which shall be applicable to both the singular and plural thereof.
- 1.2 Addenda. Written or graphic instructed issued prior to execution of the Contract Agreement which modify or interpret the Contract Documents.
- 1.3 Bid. The offer or proposal of the Bidder submitted in the prescribed form setting forth the prices for the Work to be performed.
- 1.4 Bidder. Any person, firm, corporation or organization submitting a Bid or Proposal for the Work.
- 1.5 Bidding Requirements.
- 1.6 Bonds. Bid, performance, and payment bonds and other instruments of security furnished by the Contractor and his surety in accordance with the Contract Documents.
- 1.7 Change Order. A written order to the Contractor signed by RMWD ordering and authorizing an addition, deletion, or revision in the Work, or an adjustment in the Contract Price or the Contract Time.
- 1.8 Contract Agreement. The Contract Documents form the Contract Agreement. The Contract Agreement represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. The Contract Agreement may be amended or modified after execution only by a Modification. References herein to the Contract or the Agreement, or the Form of Agreement, shall be understood to mean and refer to the Contract Agreement.
- 1.9 Contract Documents. The Contract Documents consist of the Contract Agreement, the notices, instructions and forms issued to Bidders in the Bidding Requirements for the submittal of Bids, the Contractor’s Bid, the Bid security, the Notice of Award, the Notice to Proceed, the Notice to Construct if any, the Conditions of the Contract (General, Supplementary, and other Conditions), the Bonds, the Drawings, the Specifications, all Addenda, and all Modifications.

- 1.10 Contract Price. The total moneys payable to the Contractor under the Contract Documents.
- 1.11 Contract Time. The number of work days for completion of the Work, or the date upon which the Work shall be completed and ready for use by RMWD, as stated in the executed Contract Agreement.
- 1.12 Contractor. The Contractor is the person, firm, corporation, or organization identified as such in the Contract Agreement and is referred to throughout the Contract Documents as if singular in number and masculine in gender. The term Contractor means the Contractor or his/her authorized representative.
- 1.13 Day and Days. The term day shall mean calendar day, the term calendar days shall mean consecutive calendar days, and the term work days shall mean consecutive calendar days excluding Saturdays, Sundays, and legal holidays, unless otherwise stated or specified.
- 1.14 Engineering Manager. Engineering Manager of RMWD or an authorized representative.
- 1.15 DIR. California Department of Industrial Relations.
- 1.16 Drawings. The Drawings or exact reproductions thereof which show the scope and character of the Work to be performed and which have been approved by RMWD, and are referred to in the Contract Documents. The terms Drawing, plan, and plans have the same meaning as the term Drawings unless otherwise stated or specified.
- 1.17 Engineer. The term Engineer shall mean the person or firm appointed by RMWD to undertake the duties and powers assigned to the Engineer by these Specifications acting directly or through authorized representatives. The term Engineer is referred to throughout the Contract Documents as if singular in number and masculine in gender, and means the Engineer or his authorized representative, including the Engineer's employees, agents, and consultants. (See Section 00800.)
- 1.18 Field Order. A Field Order is a written order issued by RMWD to the Contractor which clarifies or interprets the Contract Documents pursuant to Paragraph 3.2, or orders minor changes or alterations in the Work pursuant to Paragraph 16.6.
- 1.19 Inspector. The Inspector is the authorized agent of RMWD acting as the designee of the Engineering Manager, limited in each case to the duties entrusted to him by RMWD. The term Inspector applies to all Inspectors appointed by RMWD.
- 1.20 Modification. A Modification is a written amendment to the Contract Agreement signed by both parties, a Change Order, or a Field Order.
- 1.21 Notice of Award. The written notice by RMWD to the Contractor that the Contractor is the successful Bidder and that, upon compliance with the

conditions precedent to be fulfilled by the Contractor within the stated time, RMWD will execute the Contract Agreement.

- 1.22 Notice to Construct. The written notice by RMWD to the Contractor authorizing the Contractor to begin the physical installation of the particular material or equipment covered by such notice.
- 1.23 Notice to Proceed. The written notice by RMWD to the Contractor authorizing him to proceed with the Work and establishing the date of commencement of the Work.
- 1.24 Owner. The Owner is the Rainbow Municipal Water District and is referred to throughout the Contract Documents as if singular in number and masculine in gender. The term Owner means the Owner or his authorized representative, and includes the Owner's employees, agents, and consultants. (See Section 00800.)
- 1.25 Project. The Project is the total construction designed for or by the Owner of which the Work performed or constructed under the Contract Documents may be the whole or a part.
- 1.26 Shop Drawings. All drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data which are prepared by the Contractor or any Subcontractor, manufacturer, supplier, or distributor and which illustrate the equipment, material, or some portion of the Work.
- 1.27 Samples. Samples are physical examples furnished by the Contractor to illustrate materials, equipment, or workmanship, and to establish standards by which the Work will be judged.
- 1.28 Specifications. The Specifications include the Bidding Requirements, the Contract Forms, the Conditions of the Contract (General, Supplementary, and other Conditions), and the Divisions and Sections of the Specifications.
- 1.29 Subcontractor and Sub-subcontractor. The terms Subcontractor and Sub-subcontractor are referred to throughout the Contract Documents as if each were singular in number and masculine in gender, and means a Subcontractor or Sub-subcontractor or an authorized representative thereof. A Subcontractor is a person, firm, corporation, or organization who has a direct contract with the Contractor to perform any of the Work at the site. A Sub-subcontractor is a person, firm, corporation, or organization who has a direct or indirect contract with a Subcontractor to perform any of the Work at the site.
- 1.30 Supplier. Any person, firm, corporation, or organization who supplies materials or equipment for the Work, including that fabricated to a special design, and may also be a Subcontractor or a Sub-subcontractor.
- 1.31 Surety. The term Surety is the person, firm, corporation, or organization that joins with the Contractor in assuming the liability for the faithful performance of the Work and for the payment of all obligations pertaining to the Work in

accordance with the Contract Documents by issuing the Bonds required by the Contract Documents or by law.

- 1.32 Work. The term Work includes all labor, materials, equipment, and incidentals necessary to produce the construction required by the Contract Documents and any and all obligations, duties, and responsibilities necessary to the successful completion of the construction assigned to or undertaken by the Contractor under the Contract Documents.

## ARTICLE 2 – PRELIMINARY MATTERS

- 2.1 Award. The award of the Contract Agreement, if it awarded, will be to the eligible, lowest responsive responsible Bidder. No Notice of Award will be given until RMWD has concluded such investigations as it deems necessary to establish the responsibility, qualifications, and financial ability of the Bidders to do the Work in accordance with the Contract Documents to the satisfaction of RMWD within the time prescribed. RMWD reserves the right to reject the Bid of any Bidder who does not pass such investigation to RMWD's satisfaction. If the Contract Agreement is awarded, RMWD will give the successful Bidder a Notice of Award within time period prescribed in Notice Inviting Bids after the opening of the Bids and no Bidder may withdraw his Bid for a period of time as prescribed in Notice Inviting Bids after the date set for the receipt of Bids unless other time periods are stated in the Bidding Requirements or elsewhere in the Contract Documents.
- 2.2 Execution of Contract Agreement. The Contract Agreement and such other Contract Documents are practicable shall be suitably identified as agreed by the parties and signed by RMWD and the Contractor. The Contract Agreement shall be executed within time period prescribed in Notice Inviting Bids of the Notice of Award unless otherwise provided in the Bidding Requirements or elsewhere in the Contract Documents. RMWD will hold the Original Agreement and the Contractor shall receive a copy of the Agreement and such other Contract Documents. The Contract Agreement shall be executed in the form adopted or directed by RMWD.
- 2.3 Delivery of Bonds and Insurance Endorsements. Simultaneously with the execution of the Contract Agreement, the Contractor shall deliver to RMWD the required Bonds and Insurance Endorsements.
- 2.4 Forfeiture of Bid Security. Failure of the successful Bidder to whom a Notice of Award is tendered to execute the Contract Agreement and deliver the Bonds and other documents required of him at the time of execution within the time limit provided in the Contract Documents shall be just cause for RMWD to annul the Notice of Award and declare the Bid and any security therefore forfeited.
- 2.5 Copies of Documents. RMWD will furnish to the Contractor copies of the Specifications and Drawings as are reasonably necessary for the execution of the Work. Upon request, additional copies will be furnished at the cost of reproduction and handling as determined at the sole discretion of RMWD.

- 2.6 Progress Schedule. Simultaneously with the execution of the Contract Agreement, the Contractor shall submit to RMWD for approval as estimated progress schedule in chart form indicating the date that each part or brand of the Work will be started and completed including, where applicable, the continuance of operations as provided in Paragraph 12.10, and indicating a schedule of the required submittals including shop drawings, samples, lists of materials and equipment, equipment data, and instruction manuals. The schedule shall conform to the Work and the Contract Time, shall be subdivided and coordinated to the schedule of values, and shall be subject to such revisions RMWD may require for his approval. The Contractor shall revise the approved progress schedule at monthly intervals, the revised schedules in the same form as the original approved schedule and concurrent with the time periods covered by applications for progress payments. Each revised schedule shall indicate the Work actually accomplished during the time period and the schedule for performance of the remaining Work. Each revised schedule shall be submitted to RMWD for approval simultaneously with the Contractor's application for progress payment for the same time period, and shall be subject to such revisions RMWD may require for his approval. RMWD's approval of revised progress schedules will be a condition precedent to the approval of the Contractor's applications for progress payments.
- 2.7 Schedule of Values. Simultaneously with the execution of the Contract Agreement, the Contractor shall submit a schedule of values as required by Paragraph 20.1 for use in progress payments. When directed by RMWD, the Contractor shall submit to RMWD for approval a revised schedule of values coordinated to the revised progress schedules required under Paragraph 2.6 and pertinent requirements of Supplementary Conditions.
- 2.8 Insurance. Before execution of the Contract Agreement, the Contractor shall deliver to RMWD the certificates and Proof of Insurance as required by Article 6.
- 2.9 Preconstruction Conference. Before the Work is started, a conference will be held to review the progress schedule and the schedule of values, to establish procedures for handling the required submittals and for processing applications for payment, and to establish a working understanding between the parties as to the Project and the Work. Present at the conference shall be RMWD, the Engineer, and the Contractor and his Superintendent.
- 2.10 Verification. Before undertaking the Work, the Contractor shall carefully study and compare the Contract Documents for any discrepancies, inconsistencies, ambiguities, conflicts, or other errors in them or between the Contract Documents and the site conditions, and check and verify all figures, dimensions, and quantities shown thereon and all field measurements and actual site conditions, and shall bear all costs for any error in the Work resulting from his failure to so compare and verify. He shall at once report in writing to RMWD any error in which he may discover and shall not perform or construct any of the Work affected thereby until an interpretation or clarification has been issued pursuant to Paragraph 32. The Contractor assumes full responsibility for having familiarized himself with the nature and extent of the Contract Documents, the Work, locality, and local conditions that

may in any manner affect the Work to be done, and represents that he has visited the site and correlated his observations with the requirements of the Contract Documents.

2.11 Qualifications of Subcontractors and Suppliers.

2.11.1 Listing. The listing of Subcontractors shall be submitted with the Bid as required by the instructions to Bidders and the Bid Form.

2.11.2 Revision of Listing. No change or revision shall be made to the list nor shall any other Subcontractor, person, or organization not named in the accepted list be employed on or for the Work without RMWD's written bidding consent, the issuance of an appropriate Modification and at no additional cost to RMWD.

2.12 Starting the Work. The Contractor shall start the Work not later than the date stated in the Notice to Proceed, which date will be the first day of the Contract Time. Unless otherwise provided in the Bidding Requirements, the date so stated for the Work to start will be the tenth day from the date of the Notice to Proceed. RMWD reserves the right to delay issuance of the Notice to Proceed for a period not to exceed sixty (60) calendar days after the date the Contract Agreement is executed, unless otherwise provided in the Bidding Requirements, and no additional payment will be made to the Contractor on account of such delay.

2.13 Contractor's License. Contractor shall possess a Class 'A' Contractor's License at the time of bid submission and award of the Contract, unless otherwise specified in the Notice Inviting Bids. Contractor shall fill out and execute the Contractor's Licensing Statement. (See Section 00406.)

2.14 Registration with DIR. Subcontractors must be registered with the DIR and have paid the annual fee pursuant to Section 1725.5 of the California Labor Code.

### ARTICLE 3 – INTENT AND INTERPRETATION OF CONTRACT DOCUMENTS

3.1 Intent of the Contract Documents. The Contract Documents are complementary and what is called for by one is as binding as if called for by all. Any Work that may be reasonably inferred from the Drawings or Specifications as being required to produce the intended result shall be provided by the Contractor whether or not it is specifically called for. The Contractor shall furnish and pay for all labor, supervision, materials, equipment, transportation, construction equipment and machinery, tools, appliances, water, fuel, power, energy, light, heat, utilities, telephone and communications, temporary and sanitary facilities, storage, protection, safety provisions, and all other facilities, services, and incidentals of any nature whatsoever necessary for the satisfactory and acceptable execution, testing, initial operation, and completion of the Work in accordance with the Contract Documents, ready for use, occupancy or operation by RMWD.

3.2 Interpretations. Written clarifications of interpretations necessary for the proper execution or progress of the Work, in the form of drawings or

otherwise, will be issued with reasonable promptness by RMWD and in accordance with any schedule agreed upon. Such clarifications or interpretations shall be consistent with or reasonably inferable from the intent of the Contract Documents and shall become a part thereof, and may be affected by Field Order. If the Contractor believes that a written clarification or interpretation entitles him to an increase in the Contract Price or an extension of the Contract Time, he may make a claim therefore as provided in Paragraph 16.4.

Pursuant to this section of the General Provisions, the Contractor shall use the Request for Clarification Form, included herein (at the end of the General Provisions section), for submittal of inquiries and requests for information or clarification of the Contract Documents.

- 3.3 Organization of Drawings and Specifications. Except where a particular item or type of equipment is specified or otherwise required to be assembled of various components under the coordination and responsibility of one manufacturer or supplier (sometimes referred to or specified as until responsibility), the organization of the Specifications into Division, Sections, Articles, and paragraphs, the listing of the Work included and not included in the various sections of the Specifications, and the arrangement of the Drawings shall not control the Contractor in dividing the Work among Subcontractors nor establish the extent of Work to be performed by any trade.
- 3.3.1 Drawings. Scale dimensions on Drawings shall govern where figured dimensions are not indicated. Figured dimensions on Drawings shall govern over scale dimensions, and detailed Drawings shall govern over general Drawings.
- 3.3.2 Specification Titling and Arrangement. The Article and paragraph titles and other identifications of subject matter in the Specifications are intended as an aid in locating and recognizing various requirements. Except where titling forms are part of the text, such as the beginning words of a sentence or establishes the subject of an Article or paragraph, the titles are subordinate to and do not define, limit, or otherwise restrict the Specifications test. Underlining or capitalizing of words in the text does not signify or mean that such words convey special or unique meanings having precedence over any other part of the Contract Documents. The Specification text shall govern over titling and shall be understood to be and interpreted as a whole. The order of Articles, paragraphs, and subparagraphs is established by the alpha-numeric or similar system employed in the text.
- 3.3.3 Specification Language. Words or phrases requiring an action or performance, such as perform, provide, install, furnish, erect, connect, test, operate, and adjust, shall be understood to include the meaning of the phrase "The Contractor shall" unless otherwise specified. The requirements of the Drawings and Specifications apply to all Work of the same type, kind, and class even though the word "all" may not be stated. The usage and meaning of various words and phrases employed in the Specifications and

herein are as follows, and shall be understood to apply to the future, present, and past tenses according to the context.

- 3.3.3.1 References to Drawings. The words indicated, shown, detailed, noted, scheduled, illustrated, and words of like import shall mean that reference is made to the Drawings unless stated otherwise.
- 3.3.3.2 Directives. The words directed, direction, designated, selected, and words and phrases of like import shall mean that the direction, designation, selection, or like action of RMWD is intended unless stated otherwise.
- 3.3.3.3 Submittals. The words submit, submittal, submission, and words of like import shall be understood to include the meaning of the phrase "Submit to RMWD for approval" unless stated otherwise.
- 3.3.3.4 Equals and Approvals. The words equal, approved equal, equivalent, and words and phrases of like import shall be understood to be followed by the expression "in the opinion of RMWD" unless stated otherwise. The words approval, acceptable, acceptance, satisfaction, and words of like import shall mean that the approval, acceptance, or satisfaction of RMWD is intended unless stated otherwise.
- 3.3.3.5 Perform. The word perform shall mean that the Contractor shall perform all operations required to complete the mentioned action or Work in accordance with the intent of the Contract Documents.
- 3.3.3.6 Provide. The word provide shall mean that the Contractor shall furnish and install the mentioned Work, complete in place, connected, and ready for use by RMWD in accordance with the intent of the Contract Documents, except the words providing and provided may mean "contingent upon" and the phrase "as provided in" may mean "in accordance with" where such is the context.
- 3.3.3.7 Required. The word required and words of like import shall mean "as required to complete the Work" and "as required by RMWD" according to the context, unless stated otherwise.
- 3.3.3.8 Technical Words. Work, materials, or equipment described in words which so applied have a well-known trade or technical meaning shall be deemed to refer to such recognized meanings.
- 3.4 Reference or Standard Specifications. Specifying in the Contract Documents by reference to standard or reference type specification documents or to another part of the Contract Documents shall have the same force and effect as if the document or portion referred to were exactly repeated at the place where reference is made. In case of conflict between any applicable code, law, ordinance, rule, regulation, or order and the referenced standard or reference Specification Documents, the Contractor shall conform to the most restrictive requirement provided such conformance is lawful. Standard or reference Specification Documents incorporated into the Contract Documents by reference shall be those in effect on the date shown at the end of the Notice Inviting Bids. The Contractor,

Subcontractors, Sub-subcontractors, and suppliers of materials and equipment for the Work shall be fully familiar with the referenced documents. Abbreviations specified to indicate or identify standard or reference specification documents, such as ASTM, ANSI, AWWA, and ASME, shall be interpreted according to their well-known technical and trade meanings and usage.

Work conducted in conjunction with the Contract shall conform to the requirements of the Standard Specifications for Public Works Construction, "Greenbook", unless otherwise indicated or directed in the Contract Documents included herewith.

- 3.5 Precedence of Documents: It is the intent of the Contract Documents to provide the RMWD with complete and fully operational facilities as indicated and specified. All information conveyed by the Contract Documents shall be construed to that effect, and shall be performed to that effect.

To the fullest extent reasonably possible, all provisions of the Contract Documents shall apply to performance of the Work; provided, however, that in resolving conflicts, errors, omissions, or discrepancies in any of the Contract Documents, the order of precedence shall be as follows:

- Permits;
- Applicable Codes;
- Change Orders;
- Approved Revisions to the Contract Documents;
- Addenda;
- Special Provisions;
- Notice Inviting Bids;
- Information for Bidders;
- Contract Agreement;
- California State Requirements/Supplementary General Conditions;
- General Provisions;
- Technical Plans and Drawings;
- Technical Specifications;
- Standard Drawings;
- RMWD Standard Specifications;
- Referenced Standard Specifications and Drawings.

#### ARTICLE 4 – TIME

- 4.1 Time Limits. All time limits stated in the Contract Documents are of the essence of the Contract Agreement.
- 4.2 Time of Performance. The Contractor shall construct and complete the Work, including final clean up, final inspection, and final acceptance of the Work, within the Contract Time. It is expressly understood and agreed, by and between RMWD and the Contractor, that the Contract Time for the completion of the Work is a reasonable time, taking into consideration the average climatic and economic conditions and other factors prevailing in the locality of the Work.

- 4.3 Extension of Contract Time. If the Work is not completed within the Contract Time and any previously authorized extensions thereof, RMWD may extend the Contract Time at his discretion
- 4.4 Delays and Liquidated Damages. If the Work is not completed within the Contract Time, or within any period of authorized extension thereof, it shall be understood and agreed that RMWD will suffer damage solely by reason of delay. Since it is impractical and infeasible to determine the amount of actual damage, it is agreed that the Contractor shall pay to RMWD, as fixed and liquidated damages and not as a penalty, the amount stated in the Bidding Requirements, unless otherwise provided or agreed by the parties. Payment shall be made for each calendar day of delay until the Work is completed and accepted; and the Contractor and his surety shall be liable for the amount thereof, except the Contractor will not be charged liquidated damages because of any delays in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor including, but not restricted to, acts of God or of the Public enemy, acts of the Government, acts of RMWD including any preference, priority or allocation order duly issued by RMWD, acts of another contractor in the performance of a contract with RMWD, fires, floods, epidemics, quarantine restrictions, strikes (by other than the Contractor's employees of the employees of any Subcontractor or Supplier), freight embargoes, and unusually severe weather. The Contractor shall, within ten (10) work days from the beginning of any such delay, notify RMWD in writing of the cause of the delay, whereupon RMWD will ascertain the facts and the extent of the delay and extend the time for completing the Work when in RMWD's judgment the findings of fact justify such an extension, and RMWD's findings of fact thereby shall be final and conclusive on the parties hereto. It is understood and agreed that such liquidated damage provision does not limit RMWD with respect to any other damage capable of ascertainment. The Contractor hereby acknowledges and agrees that the Engineer and other professionals, consultants, and specialists appointed or employed by RMWD for the Work will suffer damages as a result of any unauthorized delay in completion of the Work and accepts the liability and responsibility for these damages as damage to RMWD that is capable of ascertainment. (See Supplementary Conditions, Section 00800)

#### ARTICLE 5 – LANDS, CONDITIONS, AND LAYOUT

- 5.1 Land and Rights-of-Way. RMWD will furnish and pay for the land, easements, and rights-of-way for the facilities to be installed. The Contractor shall obtain consents from the property owners, make all necessary arrangements, and pay all costs for additional land areas or access required by him during the course of construction outside the limits of the land, easements, and rights-of-way furnished by RMWD, without liability to RMWD.
- 5.2 Data Furnished by RMWD. Upon written request, RMWD will furnish to the Contractor a copy of all available boundary surveys and subsurface investigations. (See Section 00800.)
- 5.3 Subsurface Conditions. RMWD has not conducted subsurface investigations for the Work by borings, samples, tests, analysis, or

otherwise. Neither RMWD or the Engineer warrant or guarantee the accuracy or adequacy of any such report or any data, statements, opinions, recommendations, or conclusions therein, nor shall RMWD or the Engineer be responsible or liable for any loss sustained by the Contractor because of any variance between the conditions indicated in or deduced by the Contractor from such a report or the Contract Documents and the actual conditions encountered in the Work. The Contractor shall make such subsurface investigations he/she may require to establish the true nature of the subsurface conditions affecting the Work, the difficulties which may be encountered (including subsurface rock or other obstacles), and the dewatering or other operations which may be required to complete the Work. No additions or extra payment will be made to the Contractor on account of any subsurface conditions whether or not known or latent, include rock. This paragraph shall be construed in accordance with Public Contract Code Section 7104 and Government Code Section 4215; to the extent such provisions may apply.

- 5.4 Laying Out the Work. The Work shall be laid out in accordance with the following. Laying out work is the sole responsibility of the Contractor. The Contractor shall immediately notify RMWD of any potential or real conflicts. The Contractor is responsible for preservation of his/her layout work and reference points.
- 5.4.1 Surveys. Property and boundary surveys will be established by RMWD and the Contractor shall furnish to RMWD such assistance and materials as RMWD may require. The Contractor shall carefully preserve all survey stakes, reference points, bench marks, and monuments. Should any stakes, points, or benches be removed or destroyed by any act of the Contractor or his employees, they may be reset at the Contractor's expense. Any expense incurred in replacing permanent monuments which the Contractor may have failed to preserve shall be borne by the Contractor unless the removal of the monuments is required by the Contract Documents. See Supplementary Conditions, Section 00800)
- 5.4.2 Lines and Grades, Setting Stakes. The Contractor shall give at least five (5) work days notice in writing when he/she will require the services of RMWD for laying out any portion of the work. Elevations shown for various part of the Work refer to the Datum Bench Mark which will be established by RMWD near the site. RMWD will establish the necessary base lines and grades at the surface of the ground and at convenient locations for the construction of the Work. The base line for pipeline construction will be parallel to and offset from the position of the pipeline. From the established base lines and grades, the Contractor shall extend the necessary lines and grades for construction of the Work and shall be responsible for the correctness of same. The Contractor shall preserve all stakes set for lines, grades, or measurements of the Work in their proper places until authorized to move them by RMWD. Any expense incurred in replacing said stakes which the Contractor may have failed to preserve shall be borne by the Contractor. (See Section 00800.)
- 5.4.3 Preparation. Prior to setting out the work, the Contractor shall have all utility lines located and marked in the field and shall have all right-of-ways cleared, graded, and ready for construction activities.

## ARTICLE 6 – BONDS, INSURANCE, AND INDEMNITY

6.1 Bonds. The Contractor shall furnish performance and payment Bonds for the faithful performance and payment of all his obligations under the Contract Documents. Each Bond shall be in penal sums at least equal to the Contract Price unless otherwise stated in the Bidding Requirements, and in such form and with such sureties as are acceptable to RMWD. Prior to execution of the Contract Agreement RMWD may require the Contractor to furnish other Bonds in such form and with such sureties acceptable to RMWD. Sureties, to be acceptable to RMWD, shall be legally authorized to do business in the State and jurisdiction where the Work is to be constructed and shall have assets that exceed its liabilities in an amount equal to, or in excess of, the amount of the bond. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California. The bidder shall also be required to submit along with the proposal and bond the following documents:

- a) The original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws, or other instrument entitling or authorizing the person who executed the bond to do so.
- b) A certified copy of the authority of the insurer by the Insurance Commissioner.
- c) Proof that the Surety is named in the current list of "Surety Companies Acceptable On Federal Bonds" as published by the United States Treasury Department.
- d) Proof that the Surety has an "A" policyholder's rating and a financial rating of at least Class VII in accordance with the most current rating by A.M. Best Company.

The performance bond shall remain in full force and effect for the entire guarantee period as provided in Paragraphs 19.1 and 19.2. If such Bonds are required by written instructions given prior to the opening of Bids, the premiums shall be paid by the Contractor; if subsequent thereto, they will be paid by RMWD. If at any time a surety on any such Bond is declared bankrupt or loses its right to do business in the State or jurisdiction in which the Work is to be performed or is removed from the list of Surety Companies Acceptable on Federal Bonds, the Contractor, within ten (10) work days after notice by RMWD to do so, shall substitute an acceptable Bond or Bonds in such form and sum and signed by such other surety or sureties as may be satisfactory to RMWD. The premium on such Bond or Bonds shall be paid by the Contractor. No further payments shall be deemed due nor shall be made to the Contractor until the new surety or sureties shall have furnished an acceptable Bond or Bonds to RMWD.

6.2 Insurance. No Work shall be done under these Contract Documents unless there is in full force and effect during and until final acceptance of the Work, and thereafter as provided in subparagraph 6.2.1, all the insurance required to be furnished by the Contractor under this Article. The Contractor shall procure and maintain insurance against claims for injuries to persons or

damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. Nothing herein contained shall be construed as limiting in any way the extent to which the Contractor may be held responsible for payment of damages to persons or property resulting from his operations or the operations of any Subcontractor or Sub-subcontractor under him.

- 6.2.1 Carriers and Evidence. All insurance policies shall be with such insurance carriers and in such form as is satisfactory to and approved by RMWD. The Insurance is to be placed with insurers with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to RMWD. Contractor shall file with RMWD a Certificate of Insurance for each policy required of him, and shall submit the actual insurance policies to RMWD for inspection if requested or so required herein. Any insurance bearing on the adequacy of performance shall be maintained by the Contractor after final acceptance of the Work for the entire guarantee period as provided in Paragraphs 19.1 and 19.2. If the Contractor fails to maintain the required insurance, in whole or in part, RMWD may secure and pay the premiums for such insurance and the Contractor shall pay to RMWD such premium costs RMWD may so incur in accordance with Paragraph 20.12.
- 6.2.2 Additional Insureds, Primary Insurance. RMWD, its officers, officials, directors, employees, and volunteers shall be included as an additional insured in all insurance policies to be maintained by the Contractor, including comprehensive general liability and auto policies with respect to liability arising out of automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor, and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. Such other persons or organizations as RMWD may designate shall also be included as additional insureds. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used). The insurance afforded to the additional insureds shall be primary as respect to RMWD, its officers, officials, directors, employees and volunteers. If the additional insureds have other insurance which might be applicable to any loss, the insurance to be maintained by the Contractor shall be primary and the amount of the insurance to be maintained by the Contractor shall not be reduced or prorated by the existence of such other insurance. Any insurance or self insurance maintained by RMWD, its officers, officials, directors, employees and volunteers shall be excess of the Contractor's insurance and shall not contribute with it. Exclusions in the insurance policies to be maintained by the Contractor are subject to the approval of RMWD.
- 6.2.3 Noncancellation Clause and Renewals. All insurance policies required of the Contractor shall contain or be endorsed to contain a provision that the coverage afforded under the policies will not be canceled or changed until at least thirty (30) calendar days' prior written notice (ten (10) days for non-payment) has been given to RMWD by registered or certified mail. Exact copies of renewal policies or endorsement extensions of previous policies shall be delivered to RMWD by the Contractor prior to the expiration date of any of the insurance.

6.2.4 Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify, defend, and save harmless RMWD, its officers, officials, directors, employees, and volunteers and each of them from and against all losses and all claims, demands, payments, suits, actions recoveries, and judgments of every nature and description brought or recovered against any of them by reason of any act or omission of the Contractor, his agents or employees or of any Subcontractor or Sub-subcontractor relating to, arising out of, or relating to the execution of the Work, excepting that caused by the active negligence, sole negligence, or willful misconduct of RMWD or for defects in design furnished by RMWD. The Contractor shall maintain and pay for such insurance as will protect RMWD from any and all contingent liability under the Contract Agreement and a copy of such insurance policy shall be filed with RMWD.

6.2.5 Workers' Compensation and Employer's Liability Insurance. The Contractor shall maintain or cause to be maintained an adequate workers' compensation insurance, including occupational disease provisions, under the laws of the State where the Work is located and employer's general liability insurance for the benefit of his employees and the employees of any Subcontractor or Sub-subcontractor under him not protected by such compensation laws. The Contractor shall maintain Workers' Compensation insurance as required by the State of California, with statutory limits, and Employer's Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease. The workers' compensation insurance shall include an All States endorsement, a voluntary compensation endorsement, a marine workers and a longshoreman's and harbor workers endorsement where applicable to the Work, and an endorsement waiving subrogation against the Contractor and RWMD for all work performed by the Contractor, its employees, agents, and subcontractors.

The Contractor shall execute the Contractor's Certificate Regarding Workers' Compensation pursuant to Section 1881 of the California Labor Code. (See Section 00662.)

6.2.6 Public Liability and Property Damage Insurance. The Contractor shall maintain or cause to be maintained public liability and property damage insurance in commercial general liability policy form to protect the Contractor against claims or loss from liability imposed by law from damages which may arise out of or result from the Contractor's operations under the Contract Agreement, whether such operations be by himself or by any Subcontractor or any Sub-subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, on account of bodily injury, sickness or disease, including death resulting therefrom, suffered or alleged to have been suffered by any person or persons resulting directly or indirectly from said operations, and against claims or loss from liability imposed by law for damage to any property caused directly or indirectly by said operations, which insurance shall also cover accidents arising out of the use and operation of automobiles, trucks, and other vehicles on or for the Work whether or not owned by those performing said operations and, further, shall include operations and premises coverage, contractual liability and indemnification agreement coverage, and products and completed operations coverage. The insurance required of the Contractor under this subparagraph shall remain in full force

and effect for the entire time of the Contractor's guarantee. Unless otherwise stated in the Supplementary Conditions, the coverage amount of said insurance shall be not less than the following:

Commercial General Liability: Insurance Services Office Form CG 00 01, including products and completed operations, with limits of no less than Five Million Dollars (\$5,000,000) per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

Auto Liability: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than Five Million Dollars (\$5,000,000) per accident for bodily injury and property damage.

Contractor's Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if the project involves environmental hazards) with limits no less than One Million Dollars (\$1,000,000) per occurrence or claim, and Two Million Dollars (\$2,000,000) policy aggregate.

- 6.2.7 Property Insurance. The Contractor shall maintain or cause to be maintained, until the Work is accepted by RMWD, Builders' Risk "All-Risk" Completed Value Insurance coverage including earthquake and flood upon the entire Work and including completed Work, Work in progress, and materials and equipment in transit or storage for the Work, to the full value thereof and no coinsurance penalty provisions. Contractor may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall name RMWD as loss payee as their loss may appear. This insurance shall include the interests of RMWD, the Contractor, and the Subcontractors and Sub-subcontractors in the Work. Such insurance may have a deductible clause with a maximum Five-Thousand Dollar (\$5,000) deductible unless otherwise stated in the Supplementary Conditions. Any insured loss is to be adjusted with RMWD and made payable to RMWD as trustee for the insureds as their interests may appear. RMWD and the Contractor waive all rights against each other for damages caused by fire or other perils to the extent covered by insurance provided under this subparagraph, except such rights as they may have to the proceeds of such insurance held by RMWD as trustee. The Contractor shall require similar waivers by Subcontractors and Sub-subcontractors. If after such loss no other special agreement is made, replacement of damaged Work may be covered by an appropriate Change Order. Under the contract documents, the property insurance shall include coverage against the perils of flood and earthquake. (See Section 00800.)

If the project does not involve new or major reconstruction, at the option of RMWD, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery, or equipment damaged, impaired, broken or destroyed during the performance of the Work, including during transit, installation, and testing at RMWD's site.

6.2.7.1 Responsibility for Work.

- 1) Contractor shall be responsible for and shall bear any and all risk of loss or damage to Work in progress, all materials delivered to the site and all materials and equipment until completion and acceptance of the Work, unless such loss or damage results from the sole active negligence of RMWD, or its representatives, and as otherwise hereinafter provided for in Paragraphs 6.2.7.1.2 and 6.2.7.1.3.
- 2) As provided in Section 7105 of the California Public Contract Code, the Contractor shall not be responsible for the cost of repairing or restoring damage to the Work, determined to have been approximately caused by an act of God, in excess of five percent (5%) of the contract price, provided, that the Work damaged was built in accordance with accepted and applicable building standards and the plans and specifications as set forth in this Contract.

The Contractor shall obtain insurance to indemnify RMWD for any damage to the Work caused by an act of God if the premium of said insurance coverage is called for as a separate bid item in the Schedule of Quantities and Prices.

- 3) As provided in Section 7105 of the California Public Contract Code, the term "Acts of God" shall include only the following occurrences or conditions and effects: earthquakes in excess of a magnitude of 3.5 on a Richter Scale and tidal waves.
- 4) Pursuant to provisions of Section 7105 of the Public Contract Code RMWD reserves the right to make changes in this Contract in the course of construction to bring the completed improvements into compliance with environmental requirements or standards established by State or Federal statutes and regulations enacted after this Contract has been awarded or entered into. In such cases, the Contractor shall be paid for the changes in accordance with the provisions of the Contract governing payments for changes in the Work, or if such relevant provisions are not set forth in this Contract, payment shall be as agreed to by the parties pursuant to procedures under this Contract. RMWD further reserves the right to terminate the contract pursuant to provisions provided herein for environmental considerations as may be allowed under Section 7105.

6.3 Loss of Use Insurance. RMWD may purchase and maintain such insurance as will insure RMWD against loss of use of RMWD's property due to fire or other hazards or permits, however caused.

6.4 Loss or Damage and Indemnity Agreement. The Contractor shall be responsible for any liability imposed by law for any damage to the Work or any part thereof or to any of the materials or other things used in performing the Work or for injury to any person or persons or for any property damage. The Contractor shall indemnify and hold RMWD, its officers, officials, directors, employees and volunteers and each of them harmless against any and all liability, claims, loss or injury, including costs, expenses, and attorney's fees incurred in the defense of same, arising from any allegation, whether groundless or not, of damage or injury to any person or property

resulting from the performance of the Work or from any material used in the Work or from any condition of the Work or Work site, or from any cause whatsoever during the process of the Work. Said indemnity includes acts of passive negligence of RMWD, its officers, officials, directors, employees or volunteers. This indemnity agreement does not extend to one whose sole negligence or willful misconduct caused injury or damage.

- 6.5 Nonlimitation of Indemnity Agreements. The indemnification obligations of the Contractor under the Contract Documents shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or Sub-subcontractor of any tier under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- 6.6 Occurrence Coverage. Coverage required by this Contract shall be occurrence coverage.
- 6.7 Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by RMWD. At the option of RMWD, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects RMWD, its officers, officials, directors, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to RMWD guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- 6.8 Waiver of Subrogation. Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.
- 6.9 Subcontractors. Contractor shall require and verify that all subcontractors maintain insurance meeting all of the requirements stated herein unless otherwise agreed to in writing by RMWD prior to commencement of work by such subcontractor.
- 6.10 Verification of Coverage. Contractor shall furnish RMWD with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this Contract. All certificates and endorsements are to be received and approved by RMWD before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. RMWD reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

## ARTICLE 7 – SUPERVISION AND SUPERINTENDENCE

- 7.1 Contractor's Supervision. The Contractor shall supervise and direct the Work efficiently and with his best skill and attention. He shall be solely responsible for means, methods, techniques, procedures, and sequences of construction. The Contractor shall coordinate all parts of the Work and shall be responsible to see that the finished Work complies accurately with the Contract Documents.

- 7.2 Superintendent. The Contractor shall keep on the Work at all times during its progress a competent resident English speaking Superintendent satisfactory to RMWD, who shall not be replaced without ten (10) work days' written notice to RMWD except under extraordinary circumstances. The Superintendent shall be the Contractor's representative at the site and shall have the authority to act on behalf of the Contractor. All communications, instructions, and directions given to the Superintendent shall be as binding as if given to the Contractor. Whenever the Contractor or the Superintendent is not present on a part of the Work where RMWD wishes to give orders or directions, the orders or directions shall be received and obeyed by the Foreman in charge of that part of the Work the same as if the order or direction had been given to the Contractor or the Superintendent. Any order or direction given by RMWD not otherwise required to be in writing will be given or confirmed in writing upon request of the Contractor.

## ARTICLE 8 – CONSTRUCTION PROCEDURES AND PROTECTION

- 8.1 Contractor's Plant and Equipment. The Contractor shall furnish modern plant and equipment as necessary to perform the Work in a manner satisfactory to RMWD and in accordance with the Contract Documents, types and designs that comply with the requirements of Article 13 and with the requirements prescribed by laws, ordinances, codes, rules, regulations, and orders pertaining to wind and seismic forces at the place of the Project. Construction equipment or machinery that at any time produces unsatisfactory results shall be promptly repaired or replaced by the Contractor and as RMWD may require.
- 8.2 Use of Site. The Contractor shall confine his equipment, the storage of materials and equipment, and the operations of those directly and indirectly employed by him to areas permitted by law, ordinances, permits, and the Contract Documents, and shall not unreasonably encumber the site with materials and equipment. Nothing in the Contract Documents shall grant to the Contractor exclusive occupancy of the site of the Work and Project.
- 8.3 Overloading. No part of the Work or new and existing structures, scaffolding, shoring, sheeting, construction machinery and equipment, or other permanent and temporary facilities shall be loaded with weights or subjected to stresses or pressures that endanger any of them. The Contractor shall bear the cost of correcting damage caused by overloading or excessive stresses or pressures.
- 8.4 Use of Explosives. The use of explosives for any and all purposes is not permitted for the Work under this Contract.
- 8.5 Cutting and Patching. The Contractor shall perform all cutting, fitting, or patching of the Work that may be required to make its several parts fit together properly and satisfactorily, and shall not endanger any Work, structures, adjacent property, workmen, or the public by cutting, excavating, or otherwise altering the Work or any part of it. The Contractor shall restore all such cut or patched Work and improvements as approved by RMWD.
- 8.6 Verification of Installed Work. The Contractor shall correct all defects in installed Work of the Contract before subsequent related or connected Work

is applied or installed. Where the Contract Documents require a material or item of equipment to be applied or installed under the supervision, inspection, or direction of the supplier or manufacturer, or his representative, the supplier, manufacturer, or his representative shall inspect the applicable installed Work and issue a letter to RMWD stating the corrections required to or approval of the installed Work before his material or equipment is installed or applied.

- 8.7 Manufacturers' Instructions. Unless otherwise provided in the Contract Documents, the Contractor shall apply, install, erect, connect, use, clean, condition, and operate manufactured articles, materials, and equipment in accordance with the various manufacturers' instructions including those in the instruction manuals required in Paragraph 12.7 and other instructions required in Paragraph 12.8. The Contractor shall compare the requirements of the various manufacturers' instructions with the requirements of the Contract Documents, shall promptly notify RMWD in writing of any difference between such requirements, and shall not proceed with any of the Work affected by such differences until an interpretation or clarification is issued pursuant to Paragraph 3.2. The Contractor shall bear all costs for any error in the Work resulting from his failure to so compare the various requirements and notify RMWD of any such differences.
- 8.8 Public Convenience. The Contractor shall at all times so conduct his operations as to ensure the least possible obstruction and inconvenience to traffic and the general public and the residents in the vicinity of the Work, to protect persons and property, and to preserve access to driveways, houses, and buildings. The Contractor shall have under construction no greater amount of Work than he can properly perform with due regard to the rights of the public, and shall not create any public nuisance. No road, street, or highway shall be closed to the public except with the permission of the proper authorities. Where existing streets are not available as detours, the Contractor shall permit traffic to safely pass through the Work with as little delay and inconvenience as possible, unless otherwise authorized by RMWD. When a section of new surfacing, paving, or a traffic structure intended for public use has been completed, it shall be opened for use at the request of RMWD. The Contractor shall furnish competent flagmen whose sole duty shall be the directing of traffic through or around the Work when ordered by RMWD, required by public authorities having jurisdiction, or required by law. At no time shall the Contractor prevent free access to fire hydrants, water and gas main valves, manholes or vaults, or other utility facilities. The Contractor shall make temporary provisions to ensure the use of walkways and sidewalks and the proper functioning of gutters, sewer and storm drain inlets, and ditches, which shall not be obstructed.
- 8.9 Protection. The Contractor shall take all precautions and furnish and maintain protection to prevent damage, injury, or loss to all employees and workmen on the Work and all other persons who may be affected thereby; all the Work and all materials and equipment to be incorporated therein, whether in storage on or off the site, under the care, custody or control of the Contractor or any of his Subcontractors or Sub-subcontractors; and other improvements and property at the site or where Work is to be performed including buildings, trees and plants, pole lines, fences, guard rails, guide posts, culvert and project markers, signs, structures, conduits, pipe lines, and improvements within or adjacent to streets, rights-of-way, or easements, except those items required to be removed by the Contractor in the Contract

Documents. The Contractor's protection shall include all the safety precautions required under Article I3 and other necessary forms of protection, and the notification of RMWDs of utilities and adjacent property.

- 8.9.1 Utilities and Substructures. The indication of the type and approximate location of existing utilities and substructures in the Contract Documents represents a diligent search of known records, but the accuracy and completeness of such indications are not warranted by RMWD or the Engineer and utility structures and services not so indicated may exist. Before commencing any excavations, the Contractor shall investigate, determine the actual locations, and protect the indicated utilities and structures, shall determine the existence, position, and ownership of other utilities and substructures in the site or where the Work is to be performed by communication with such owners, search of records, or otherwise, and shall protect all such utilities and substructures. The Contractor shall verify the actual location and depth by "pot holing" of each utility. In addition, see California State Requirements, Section 00800CA, Paragraph M.
- 8.9.2 Maintenance of Facilities. Unless otherwise provided in the Contract Documents or unless otherwise cared for by RMWD thereof, all water, gas, oil, or irrigation drainage lines and house connection lines, sprinkling systems, and other subsurface structures of any nature along the Work shall be maintained by the Contractor at his expense, and shall not be disturbed, disconnected, or damaged by him during the progress of the Work. The Contractor shall install temporary pipes of adequate size to carry off sewage from any sewer facilities cut off by construction operations. Installation of temporary pipes shall be made immediately upon cutting of the existing facility, and no sewage shall be allowed to flow from any severed facility upon the ground surface or in the trench excavation. Pipe used in temporary sewers may be clay, metal, concrete, or composition. Before completion of Work, the Contractor shall replace all severed connections and restore to operating order the existing sanitary facilities with matching materials and construction. No liquid from any severed facility shall be allowed to flow upon the ground surface or in any excavation.
- 8.9.3 Restoration and Repair. Except for those improvements and facilities required to be permanently removed by the Contract Documents, the Contractor shall make satisfactory and acceptable arrangements with the appropriate owners and, at his expense, shall repair and restore all improvements, structures, property, utilities, and facilities disturbed, disconnected, or damaged as a result or consequent of his Work or the operations of those for whom he is responsible or liable, including that caused by trespass of any of them with or without his knowledge or consent, or by the transporting of workmen, materials, or equipment to or from the site.
- 8.9.4 Protection of Workers in Trench Excavations. (See California State Requirements, Section 00800CA, Paragraph L.)
- 8.10 Utilities.
- 8.10.1 Water Supply. The Contractor shall not draw water from any fire hydrant or service, nor operate any valve or control of any water system without the written permission of RMWD thereof, and a copy of each written permission shall be filed with RMWD. See Supplementary Conditions, Section 00800)

- 8.10.2 Temporary Utility Interruptions. If the temporary interruption of utility services is necessary for the prosecution of the Work, the Contractor shall make all arrangements with the utility owners and pay all fees and charges levied by them for the interruptions, and shall notify the affected users at least twenty-four (24) hours in advance of the probable duration of interruption unless such notice is given by the appropriate utility owner.
- 8.10.3 Temporary Removal or Maintenance. If it should be necessary to move or temporarily maintain the property of any public utility or other property, the cost of which because of the terms of any franchise or for any other reason must be borne by RMWD thereof, such owner will, upon proper application by the Contractor, be notified by RMWD to move or temporarily maintain such property until after the expiration of the time required for the Work. RMWD, public authorities having jurisdiction, and RMWDs of public utilities and franchises shall have access to any street, alley, right-of-way, or easement for the purpose of maintaining or of making repairs or changes in property made necessary by the Work.

#### ARTICLE 9 – LABOR, MATERIALS, AND EQUIPMENT

- 9.1 Workman. The Contractor shall at all times enforce strict discipline and good order among his employees and those of any Subcontractor or Sub-subcontractor, and shall not employ on the Work any unfit person or anyone not skilled and experienced in the assigned task. All Superintendents and foremen shall be English-speaking. Any Superintendent, foreman, laborer, or other person employed on the Work who fails or refuses to perform the Work in the manner required by the Contract Documents shall be discharged immediately and such person shall not again be employed on the Work. When required in writing by RMWD, the Contractor, Subcontractor, or Sub-subcontractor shall discharge any person who is, in the opinion of RMWD, incompetent, unfaithful, disorderly, or otherwise unsatisfactory. Such discharge shall not be the basis of any claim for compensation or damages against RMWD or the Engineer.
- 9.2 Workmanship. The quality of workmanship produced by skilled, knowledgeable, and experienced journeymen mechanics and artisans is required for the Work; Particular attention shall be given to the appearance and finish of exposed Work. The decision of RMWD with regard to the quality and adequacy of workmanship shall be final and binding.
- 9.3 Materials and Equipment. All materials and equipment incorporated in the Work shall be new unless otherwise specified. Materials and equipment not covered by detailed requirements in the Contract Documents shall be of the best commercial quality, suitable for the purpose intended, and approved by RMWD prior to use in the Work. The Contractor shall provide proper storage facilities and exercise such measures as will ensure the preservation of the required quality and fitness of all materials and equipment. Materials or equipment not conforming to the requirements of the Contract Documents shall be rejected and immediately removed from the site of the Work. Materials, supplies, or equipment to be incorporated into the Work shall not be purchased by the Contractor or any Subcontractor or Sub-subcontractor subject to a chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller.

- 9.3.1 Plurality of Terms. Where materials or equipment are referred to in the singular number, it is intended unless otherwise limited that such reference shall be applied to as much material or equipment as is required to complete the Work.
- 9.3.2 Optional Materials. Where any material or equipment item is specified by two or more manufacturer's name or proprietary identifications, the Contract may provide any one of the materials or equipment so specified. Only one brand, kind, or make of material or equipment shall be used for each specific purpose throughout the Work notwithstanding that similar material or equipment of two or more manufacturers may be specified for the same purpose.
- 9.3.3 Space Requirements and Arrangement. The Contractor shall ensure that the materials and equipment to be furnished fit the space available, and shall make the necessary field measurements to ascertain space requirements including those for connections. If material or equipment requiring arrangement or connections different from those required by the Contract Documents is approved by RMWD, the Contractor shall bear all costs for installing the material or equipment and for changes to adjoining or related Work RMWD may require.
- 9.3.4 Materials Furnished by RMWD. Material or equipment to be furnished by RMWD will be supplied in accordance with the Specifications.
- 9.4 Substitutions and Equals. References in the Contract Documents to any material, item of equipment, or type of construction by manufacturer's name, make, catalog number, or other proprietary identification shall be interpreted as establishing a standard of quality. If the Contractor wishes to furnish or use a proposed substitute or equal material, item of equipment, or type of construction, he shall make written application to RMWD for approval, certifying in writing that the proposed substitute or equal will perform adequately the duties imposed by the general design, be similar and of equal substance to that specified, and be suited to the same use and capable of performing the same function as that specified, and stating all variations in costs pertaining to the application. No proposed substitute or equal shall be ordered or installed without the written approval of RMWD, and it shall be understood and agreed that the decision of RMWD in this matter shall be final and binding.

Prior to the receipt of Bids, requests for consideration of proposed substitute or equal materials or equipment shall comply with the Bidding Requirements. After receipt of Bids, if the Contractor should wish to propose a substitute or equal item for any specified by brand or trade name, within five (5) work days after issuance of the Notice of Award, he shall in writing notify RMWD of his intent to do so and at that time submit to RMWD an itemized list of the item or items he proposes setting forth the various manufacturers' names and such other information he has available. Unless this notification is given within the time stated, the Contractor shall provide only the items specified by brand or trade name. If notification is so given RMWD, within thirty-five (35) work days after issuance of the Notice of Award the Contractor shall supply data to RMWD to substantiate the proposed substitution or equal. RMWD will then decide whether the proposed substitution or equal is in fact equal in quality and utility to the

specified trade or brand name items. It is agreed that the decision of RMWD in this matter shall be final.

- 9.4.1 Use of Approved Substitutions or Equals. The Contractor's use of approved substitutions or equals shall in no way relieve the Contractor from compliance with the Contract Documents. The Contractor shall bear all extra expense resulting from providing or using approved substitutions or equals where they affect the adjoining or related Work, including the expense of required engineering, redesigning, drafting, and permits where necessary, whether RMWD's approval is given before or after receipt of Bids.

The Contractor shall approve engineering costs for review and evaluation of substitutions or equals prior to the performance of the engineering work using the form titled, "Authorization of Engineering Costs for Evaluation of Substitutions and Equals", bound herein (at the end of the General Provisions section of these Specifications). RMWD's Representative will not perform the submittal review until the authorization form is signed and returned by the Contractor. If the Contractor does not provide this authorization, the submittal will be rejected.

The Contractor shall approve engineering costs associated with redesign of adjoining or related Work caused by substitutions or equals prior to the performance of the engineering work using the form titled "Authorization of Engineering Costs for Redesign Due to Substitutions or Equals", bound herein (at the end of the General Provisions section of these Specifications). RMWD's Representative will not perform the redesign until the authorization form is signed and returned by the Contractor. If the Contractor does not provide the required authorization, the submittal which created the need for redesign will be requested.

RMWD, at its own discretion, will deduct the authorized costs from the Contractor's monthly progress payment or will require direct payment of the authorized amounts by the Contractor to RMWD's Representative providing the evaluation and/or redesign services.

- 9.4.2 Unauthorized Substitutions. If substitute materials or equipment are installed without RMWD's approval, the Contractor shall remove the unauthorized materials or equipment and install those required by the Contract Documents at his expense.

## ARTICLE 10 – SUBCONTRACTORS

- 10.1      Responsibility for Subcontractors. The Contractor shall be fully responsible for all acts and omissions of his Subcontractors, Sub-subcontractors, and of persons directly or indirectly employed by them and of persons for whose acts any of them may be liable to the same extent that he is responsible for the acts and omissions of persons directly employed by him. Under these Contract Documents, no Subcontractor or Sub-subcontractor will be recognized as such, and all persons and organizations engaged by the Contractor for the furnishing or installing of any part of the Work, either at the site or elsewhere, are considered as and agreed to be employees of the Contractor except with regard to insurance as provided in Article 6 and except with regard to payment as provided in Article 20. Nothing in the Contract Documents shall create any contractual relationship between any Subcontractor, Sub-subcontractor, or any person directly or indirectly employed by them, and RMWD and the Engineer. The Contractor will be responsible for ensuring that the Subcontractor and any Sub-Subcontractor is registered with the DIR as required by Section 1725.5 of the California Labor Code.
- 10.2      Extent of Subcontracting. It is RMWD's intent that the Work shall be performed and constructed by a Contractor who is staffed and equipped to construct the major portion of the Work with his own directly employed personnel and with the minimum feasible subcontracting. Subcontracting may be permitted by RMWD to such extent as is shown to be necessary or advantageous to the Contractor without injury to the intent and interest of RMWD.
- 10.3      Subcontractual Relations. All Work, performed for the Contractor by a Subcontractor shall be pursuant to an appropriate agreement between the Contractor (and where appropriate between Subcontractor and Sub-contractor) which shall contain provisions that: (a) protect and preserve the rights of RMWD and the Engineer with respect to the Work to be performed under the subcontract so that the Subcontracting thereof will not prejudice such rights; (b) require that such Work be performed in accordance with the requirements of the Contract Documents; (c) require under each subcontract to which the Contractor is a party the submission to the Contractor of applications for payment and claims for additional costs, extension of time, damages for delay or otherwise with respect to the subcontracted portions of the Work (via any Subcontractor or Sub-subcontractor where appropriate) in sufficient time that the Contractor may apply for payment in accordance with Article 20 and comply in accordance with the Contract Documents for like claims by the Contractor upon RMWD; (d) waive all rights the contracting parties may have against one another for damages caused by fire or other perils covered by the property insurance except such rights as they may have to the proceeds of such insurance held by RMWD as trustee as provided in subparagraph 6.2.7; and (e) obligate each Subcontractor specifically to consent to the provisions of this Paragraph 10.3.

## ARTICLE 11 – LAWS AND REGULATIONS

- 11.1      Governing Law. The Contract Documents shall be governed by the law of the place of the Project.

- 11.2 Compliance. The Contractor shall inform himself/herself of all laws, ordinances, codes, rules and regulations in any manner affecting those employed on the Work, or the materials used in the Work, or in any way affecting the conduct of the Work, and of all orders and decrees of bodies or tribunals having any jurisdiction or authority over the Work. He shall at all times himself give all notices and observe and comply with, and shall require all his agents, employees, Subcontractors and Sub-subcontractors to observe and comply with all such applicable laws, ordinances, rules, regulations, orders, and decrees in effect or which may become effective before completion and acceptance of the Work; and shall protect and indemnify RMWD and the Engineer against any claim of liability arising from or based upon the violation of any such law, ordinance, code, rule, regulation, order, or decree, whether by himself, his employees, or his Subcontractors or Sub-subcontractors, or any other person or organization employed for or upon the Work. If the Contractor observes that any requirement of the Contract Documents is at variance with such laws, ordinances, codes, rules, regulations, orders, or decrees, he shall promptly notify RMWD in writing and shall not proceed with any Work affected by such variance without RMWD's written instructions or the issuance of an appropriate Modification.
- 11.3 Permits, Fees, and Taxes. Unless otherwise provided in the Contract Documents, the Contractor shall secure and pay for all permits, governmental fees, and licenses necessary for the execution and completion of the Work. The Contractor shall pay all sales, consumer, use, and other taxes required by law including all taxes properly assessed against his equipment or property used in connection with the Work. All such costs shall be included in the bid prices.
- 11.4 Provisions of Law Deemed Inserted. Each and every provision of law required by law to be inserted in the Contract Documents shall be deemed to be inserted and the Contract Documents shall be read and enforced as though it were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon application of either party to the Contract Agreement the Contract Documents will be physically amended to make such insertion or correction and an appropriate Modification will be issued.
- 11.5 Registration with the DIR. Contractor must be, and must require all Subcontractors to be, registered with and have paid the annual fee to the DIR pursuant to Labor Code Section 1725.5. No Contractor or Subcontractor may be listed on a bid proposal for a public works project unless registered with the DIR pursuant to Labor Code Section 1725.5. No Contractor or Subcontractor may be awarded a contract for public work on a public works project unless registered with the DIR pursuant to Labor Code Section 1725.5. This project is subject to compliance monitoring and enforcement by the DIR.
- 11.6 Validity of Agreement. The invalidity in whole or in part of any provision of this Agreement, by operation of law or judicial decree, shall not void or affect the validity of any other provision of this Agreement.

## ARTICLE 12 – SUBMITTALS

- 12.1.1 General. Unless otherwise specified or directed by RMWD, the Contractor shall submit to RMWD for his review and approval all shop drawings, samples, materials lists, equipment, data, instruction manuals, record documents, manufacturers' equipment manuals, and other submittals required by the Contract Documents and herein, or subsequently as covered by Modifications. Submittals and their contents shall be properly prepared, identified, and transmitted as provided herein or as RMWD may otherwise direct. Except for record documents and instructional manuals for operation and maintenance, submittal shall be approved before the material or equipment covered by the submittal is delivered to the site. The progress schedule required under Paragraph 2.6 shall be coordinated to this requirement.

Pursuant to this section of the General Provisions, the Contractor shall use the Transmittal Form, included herewith (located at the end of the General Provisions section), for submittal of shop drawings to the RMWD. The procedures governing shop drawing submittal is contained in these General Provisions. Failure to comply with all requirements specified herein will constitute grounds for return of the shop drawings for proper re-submittal. The Contractor shall sequentially number each submittal. The Contractor may, within five (5) working days of the Notice of Award, submit to the Engineer an alternate Transmittal Form for review and approval for use under this Contract. The Engineer shall have the sole right for determination of the Transmittal Form to be used, and the Contractor shall use the form designated for use by the Engineer.

- 12.1.1 Deviations. At the time of the submission, the Contractor shall give notice in writing in the submittal of any deviation from the requirements of the Contract Documents. The deviations shall be clearly indicated or described including all other changes required to correlate the Work. The Contractor shall state in writing all variation in costs occasioned by the deviations and his assumption of the cost of all related changes if the deviation is approved.
- 12.1.2 Schedule of Submittals. The progress schedule required under Paragraph 2.6 shall allow not less than twenty (20) working days for the review of submittals, not including the time necessary for delivery or mailing, and shall cause no delay in the Work or the work of any other contractor. Extension of the Contract Time will not be granted because of the Contractor's failure to make timely and correctly prepared and presented submittals with allowance for the checking and review periods.
- 12.1.3 Method of Submittal. The Contractor shall deliver submittals by means of dated, signed, and sequence numbered transmittals on the Contractor's letterhead, identifying as to initial or resubmittal status, and fully describing the submittal contents. Submittals are not acceptable directly from Subcontractors, suppliers, or manufacturers. In each transmittal the Contractor shall state the Drawing numbers and Specification Sections, Articles, and paragraphs to which the submittal pertains; accompanying data sheets, catalogs, and brochures shall be identified in the same manner, and where several types or models are contained the Contractor shall delete non-applicable portions or specifically indicate which portions are intended and applicable.
- 12.1.4 Contractor's Review and Approval. Every submittal of shop drawings, samples, materials lists, equipment data, instruction manuals, and other

submittals upon which the proper execution of the Work is dependent shall bear the Contractor's review and approval stamp certifying that the Contractor (a) has reviewed, checked, and approved the submittal and has coordinated the contents with the requirements of the Work and the Contract Documents including related Work, (b) has determined and verified all quantities, field measurements, field construction criteria, materials, equipment, catalog numbers, and similar data, or will do so, and (c) states the Work covered by the submittal is recommended by the Contractor and the Contractor's guarantee will fully apply thereto. The Contractor's stamp shall be dated and signed by the Contractor in every case. It is expected that the Contractor will prepare his submittals in such a manner that he is able to obtain a submittal approval by the second submission. RMWD reserves the right to deduct moneys from the amounts due to Contractor to cover the cost of the Engineer's review time beyond the second submission.

- 12.1.5 Corrections and Resubmittals. The Contractor shall make all required corrections and shall resubmit the required number of corrected submittals until approved. The Contractor shall direct specific attention in writing to revisions other than the corrections called for on previous submittals, and shall state in writing all variations in costs and his assumption of the cost of related changes the same as is required for deviations in subparagraph 12.1.1. Identify each resubmittal with number of the original submittal followed by consecutive letters starting with "A" for first resubmittal, "B" for second resubmittal, etc.
- 12.1.6 Check of Returned Submittals. The Contractor shall check submittals returned to him for correction and ascertain if the corrections result in extra cost to him above that included under the Contract Documents, and shall give written notice to RMWD within five (5) work days if, in his opinion, such extra cost results from corrections. By failing to so notify RMWD or by starting any Work covered by a submittal, the Contractor waives all claims for extra costs resulting from required corrections.
- 12.1.7 Review and Approval. Submittals will be reviewed with reasonable promptness, but only for conformance with the design concept of the Project and with the information given in the Contract Documents. The approval of a separate item as such will not indicate approval of the assembly in which the item functions. The approval of submittals shall not relieve the Contractor of responsibility for any deviation from the requirements of the Contract Documents or for any revision in resubmittals unless the Contractor has given notice in writing of the deviation or revision at the time of submission or resubmission and written approval has been given to the specific deviation or revision, nor shall any approval relieve the Contractor of responsibility for errors or omissions in the submittals or for the accuracy of dimensions and quantities, the adequacy of connections, and the proper and acceptable fitting, execution, and completion of the Work.
- 12.1.8 Incomplete Submittals, including those not correctly transmitted, not correctly titled and identified, or not bearing the Contractor's review and approval stamp, will be returned to the Contractor without review.
- 12.1.9 Conformance. No Work represented by required submittals shall be purchased or commenced until the applicable submittal has been approved.

Work shall conform to the approved submittals and all other requirements of the Contract Documents unless subsequently revised by an appropriate Modification, in which case the Contractor shall prepare and submit revised submittals as may be required. The Contractor shall not proceed with any related Work which may be affected by the Work covered under submittals until the applicable submittals have been approved, particularly where piping, machinery, and equipment and the required arrangements and clearances are involved.

- 12.1.10 Interrelated Submittals. Except where the preparation of a submittal is dependent upon the approval of a prior submittal, all submittals pertaining to the same class or portion of the Work shall be submitted simultaneously.
- 12.2 Shop Drawings. Each submittal shall be complete with respect to dimensions, design criteria, materials, connections, bases, foundations, anchors, and the like, and shall be accompanied by technical and performance data as necessary to fully illustrate the information in the shop drawings. Unless otherwise specified, each submittal shall include eight (8) sets of black-line printed copies or, at the option of RMWD, one set of reproducible copies and two (2) sets of black-line printed copies. Drawing submittals shall be folded to 8-1/2 in. x 11 in. size. Three (3) sets of printed copies or the reproducible set, as applicable, will be returned to the Contractor marked to show the required corrections or approval.
- 12.3 Samples. Unless otherwise specified, each submittal shall include two (2) sets of samples. One set of approved samples and all disapproved samples will be returned to the Contractor. Samples of value retained by RMWD will be returned to the Contractor after completion of the Work if the Contractor's first transmittal for the sample requests its return. Approved samples of manufactured items returned to the Contractor may be installed in the Work if the location is recorded and the samples bear temporary identification as such.
- 12.4 Materials Furnished Under Standard Specifications. For materials specified by reference to standard or reference specifications, the Contractor shall prepare and submit for approval a list of such materials by manufacturer's names and identifications to the extent requested by RMWD.
- 12.5 Material Lists. Submittal copies shall be neatly bound with sturdy labeled covers complying with subparagraph 12.7.2, and shall have an index listing the contents. Loose submittals will be returned unreviewed. For each item listed, the Contractor shall include the manufacturer's name and address, trade or brand name, local supplier's name and address, catalog numbers and cuts, brochures, terms and conditions of manufacturer's guarantee and warranty, other information to fully describe the item, and supplementary information as may be required for approval. Cuts, brochures, and data shall be marked to indicate the items proposed and the intended use. Unless otherwise specified, each submittal shall include eight (8) bound copies, three (3) of which will be returned to the Contractor marked to show the required corrections or approval.
- 12.6 Equipment Data. The Contractor shall submit complete technical and catalog data for every item of mechanical and electrical equipment and

machinery to be incorporated in the Work, including components. Submittal copies shall be bound, indexed, and contain information as required in Paragraph 12.5 for submittal of materials lists and shall further include specific information on performance and operating curves and data, ratings, capacities, characteristics, efficiencies, and other data to fully illustrate and describe the items as may be specified or required for approval. Data shall be submitted in sets covering complete systems or functioning units. Unless otherwise specified, each initial submittal shall include eight (8) bound copies, three (3) of which will be returned to the Contractor marked to show the required corrections or approval.

12.7 Instruction Manuals. The Contractor shall obtain data from the various manufacturers and submit instruction manuals covering all mechanical equipment and machinery installed in the Work.

12.7.1 Contents. Each manual shall have an index listing the contents. Information in the manuals shall include not less than (a) general, introduction and overall equipment description, purpose, functions, and simplified theory of operation, (b) specifications, installation instructions, procedures, sequences, and precautions, including tolerances for level, horizontal, and vertical alignment, (d) grouting requirements including grout spaces and materials, (e) list showing lubricants for each item of mechanical equipment, approximate quantities needed per year, and recommended lubrication intervals; where possible, types of lubricants shall be consolidated with equipment manufacturers' approval to minimize the number of different lubricants required for plant maintenance, (f) startup and beginning operation procedures, (g) operational procedures, (h) shut down procedures, (l) short and long term inactivation procedures, (j) maintenance, calibration, and repair instruction, (k) parts lists and spare parts recommendations, (1) lists of all special tools, instruments, accessories, and special lifting and handling devices required for periodic maintenance, repair, adjustment, and calibration, and (m) other information as may be specified or required for approval.

12.7.2 Format and Organization.

- a. Use drawings and pictorials to illustrate the printed text as necessary to fully present the information.
- b. Where information covers a family of similar items of equipment, identify the applicable portions by heavy weighted arrows, boxes or circles, or strike-out the inapplicable information. Non-conforming data are not acceptable and will be returned for rework and resubmittal.
- c. Contractor shall incorporate into books all Manufacturers' Equipment Manuals including those specified in pertinent Sections of the Specifications. These books shall be organized by Equipment Class in same manner and sequence as the Specifications, i.e. Mechanical, Electrical, Instrumentation, etc. Book size and quantity shall be sufficient for inclusion of all data, and be of type and quality hereinafter specified in Article 12.7.3.
- d. Within each book of manuals, provide a Table of Contents for that book. If more than one book is necessary for a Class of Equipment, place a complete Table of Contents for that Class of Equipment within each book of that Class.

- e. In addition, an overall Index of Contents shall be prepared in ten (10) sets and submitted separately to RMWD for his insertion in his Operation and Maintenance Manuals.
- f. When a manufacturer's manual exceeds one (1) inch in thickness and is bound as specified in Article 12.7.3 it need not be rebound within another book, but the Overall Index shall refer to it by title and indicate that it is bound separately.

12.7.3 Manual Binding.

- a. Bind all books in sturdy hard covers fastened to provide full view of contents on each page, and ease of making content additions or replacements. No book shall be more than four (4) inches thick. Manuals less than one (1) inch thick shall be bound in substantial three-ring loose leaf binders; others shall have covers secured by operable locking-bars to permit full view opening with contents bound by hinged interfacing pairs of three-ring binding posts, Model S70468-12 by McBee, Springfield, MO., or Model 745483 by Inter-City, St. Louis, Mo., or equal.
- b. Permanently label face of cover and bound edge of each book "MANUFACTURERS' INSTRUCTION MANUAL," and indicate Class of Equipment, i.e., Mechanical, Electrical, Instrumentation, etc. or name specific equipment if a single unit is contained. Where more than one book is needed for a Class of Equipment or a single specific equipment unit, number books consecutively BOOK I, BOOK II, etc.
- c. If more than one Class of Equipment is contained in a book, separate each class with a tabbed stiff divider insert page.
- d. Prior to purchase or delivery, submit samples of each intended type of binder and obtain approval from RMWD.

12.7.4 Manual Submittals. Submittals shall include two (2) copies of each manual, one of which will be returned to the Contractor marked to show the required corrections or approval. When approved, the Contractor shall deliver ten (10) copies to RMWD unless otherwise specified.

12.8. Manufacturers' Instructions. In addition to the instructions submitted under Paragraph 12.7, the Contractor shall submit manufacturers' instructions to the extent specified or requested by RMWD for his determination of their adequacy and approval. When approved, the Contractor shall distribute copies to all those involved with the instructions.

12.9 Tools, Accessories, Spare Parts, and Maintenance Materials. The Contractor shall furnish and deliver all special tools, instruments, accessories, spare parts, and maintenance materials required by the Contract Documents, and shall furnish and deliver the special tools, instruments, accessories, and special lifting and handling devices shown in the instruction manuals approved under Paragraph 12.7. Unless otherwise specified or directed by RMWD, the items shall be delivered to RMWD, with the Contractor's written transmittal accompanying each shipment, in the manufacturers' original containers labeled to describe the contents and the equipment for which it is furnished. The Contractor shall deliver a copy of each transmittal to the Engineer for record purposes.

- 12.10 Continuance of Operations. The Contractor shall arrange and schedule the Work in such manner as to ensure that all existing utility, treatment or disposal operations and facilities are maintained in operation and in no way disrupted or disabled as a result of the Work. The Contractor shall submit for approval a written plan and description of the proposed schedule, methods, and facilities to be employed in conforming to this requirement.
- 12.11 Record Drawings and Specifications. The Contractor shall maintain one record copy of all Drawings, Specifications, Addenda, Modifications, approved submittals, correspondence, and transmittals at the site in good order and readily available to RMWD, the Engineer, and the Inspector. The Record Drawings shall be clearly and correctly marked and the Record Specifications annotated by the Contractor to show all changes made during the construction process at the time the changed Work is installed. No such changes shall be made in the Work unless previously authorized by a Modification or by specific approval of deviations or revisions in submittals.
- 12.11.1 Buried and Concealed Work. The Contractor shall record the precise location of all piping, conduits, ducts, cables, and like Work that is buried, embedded in concrete or masonry, or concealed in wood or metal framed walls and structures at the time such Work is installed and prior to concealment. Each feature of the concealed Work, such as the beginning and end of straight runs, radius center point of curved runs, angles, connections, plugged tees or other fittings for future connections, and like items shall be accurately located by not less than two dimensions to permanent structures. The depth below finish grade, slab, or paving shall be noted for buried pipe, conduit, or ducts at the beginning and end of straight grade runs and at all grade change points, excepting sewer or drain lines run between manholes. Should the Contractor fail to record such buried or concealed Work, he shall uncover the unrecorded Work to the extent required by RMWD and shall satisfactorily restore and reconstruct the removed Work with no change in the Contract Price or the Contract Time.
- 12.11.2 Delivery. Upon completion and prior to final inspection of the Work, the Contractor shall submit the Record Drawings and Specifications to RMWD for review, and shall make such revisions or corrections as may be necessary for them to be a true, complete, and accurate record of the Work in the opinion of RMWD. When approved, the Contractor shall deliver the Record Drawings and Specifications to RMWD.
- 12.12 Revision of Submittals. Whenever a Modification causes a change to the information contained in previously approved submittals, the Contractor shall submit information and data corresponding to the changed requirements for approval. After completion of the operational test required in Paragraph 17.4, the Contractor shall submit revised or additional information and data for the instruction manuals and equipment data as RMWD may require. Revision submittals shall be submitted following the procedures required for previously approved submittals.

## ARTICLE 13 – SAFETY PRECAUTIONS AND EMERGENCIES

- 13.1 Contractor's Responsibility for Safety. The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. This requirement will apply

continuously twenty-four (24) hours a day every day until final acceptance of the Work and shall not be limited to normal working hours. The duties of RMWD, Engineer and Inspector do not include review of the adequacy of the Contractor's safety measures in, on, or about the site and vicinity.

- 13.2 Safety Officer. The Contractor shall designate a responsible member of his organization at the site whose duty shall be the prevention of hazards and accidents. This person shall be the Contractor's Superintendent unless otherwise designated in writing by the Contractor to RMWD.
- 13.3 Safety Measures. The Contractor shall comply with all laws, ordinances, codes, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. The Contractor shall comply with the "Manual of Accident Prevention in Construction" published by the Associated General Contractors of America, Inc., including the recommendations for safe construction methods and the requirements for the guarding of machinery and equipment therein, to the extent that the provisions of the manual are not in conflict with applicable laws, ordinances, rules, regulations, and orders. The Contractor shall maintain copies of all documents mentioned or referenced in this paragraph readily available at the site until the Work is completed.
- 13.4 Warnings and Barricades. The Contractor shall provide and maintain barricades, guards, temporary bridges and walkways, watchmen, night lights and danger signals illuminated from sunset to sunrise, and all other necessary appliances and safeguards to protect the Work, life, property, the public, excavations, equipment, and materials. Barricades shall be of substantial construction and shall be painted such as to increase their visibility at night. Suitable warning signs shall be so placed and illuminated at night as to show in advance where construction, barricades, or detours exist. Guard rails shall be provided for bridges and walkways over or adjoining excavations, shafts, and other openings and locations where injury may occur.
- 13.5 Fire Prevention. The Contractor's Safety Officer shall inspect the entire Work and site, including storage areas, at frequent intervals to verify that fire prevention measures are constantly enforced.
- 13.5.1 Fire Extinguishers and Hoses. The Contractor shall furnish and maintain fully charged fire extinguishers of the appropriate type, supplements with temporary fire hoses wherever an adequate water supply exists, at the places where burning, welding or other operations that may cause a fire are being performed.
- 13.5.2 Flammable or Toxic Materials. Only a working supply of flammable or toxic materials shall be permitted in or on any of the permanent structures and improvements, and shall be removed therefrom at the end of each day's operations. The Contractor shall store flammable or toxic materials and waste separate from the Work and stored materials for the Work in a manner that prevents spontaneous combustion or dispersion, and none shall be placed in any sewer or drain piping nor buried on RMWD's property.

- 13.6 Safety Helmets, Clothing, and Equipment. The Contractor shall not permit any person for whom he is responsible or liable to enter or remain on the site of the Work unless the person is equipped with and wearing a safety helmet and other protective clothing and safety equipment conforming to the requirements of Paragraph 13.3, and shall discharge from the site all persons not so equipped. The Contractor shall post conspicuous signs at appropriate locations warning the public and persons engaged upon the Work of this requirement. The Contractor shall furnish for their temporary use such safety helmets, protective clothing, and safety equipment as RMWD, the Engineer, or their representatives may request of him.
- 13.7 Hazardous Areas. The Contractor shall not permit or allow any person or persons to enter any pipe or space containing hazardous or noxious substances person for whom he is responsible or liable to enter or remain on the site of the Work unless the person is equipped with and wearing a safety helmet and other protective clothing and safety equipment conforming to the requirements of Paragraph 13.3, and shall discharge from the site all persons not so equipped. The Contractor shall post conspicuous signs at appropriate locations warning the public and persons engaged upon the Work of this requirement. The Contractor shall furnish for their temporary use such safety helmets, protective clothing, and safety equipment as RMWD, the Engineer, or their representatives may request of him.
- 13.8 Emergencies.
- 13.8.1 Work During an Emergency. The Contract shall perform any and all operations and shall furnish any materials and equipment necessary during an emergency endangering life or property and, in all cases, shall notify RMWD of the emergency as soon as practicable, but shall not wait for instruction before proceeding to properly protect both life and property. Any additional compensation or extension of Contract Time claimed by the Contractor on account of an emergency shall be applied for as provided in Paragraph 16.4.
- 13.8.2 Representatives for Emergencies. The Contractor shall file with RMWD a written list giving the names, addresses, and telephone numbers of at least two of his representatives who can be contacted at any time in case of emergency. The representatives shall be fully authorized and equipped to correct any unsafe or inconvenient conditions on short notice. The Contractor shall promptly notify RMWD of all changes in the listing.

#### ARTICLE 14 – SEPARATE CONTRACTS

- 14.1 Award of Separate Contracts. RMWD reserves the right to award other contracts in connection with other portions of the Project. When separate contracts are awarded for different portions of the Project, "the Contractor" in the contract documents in each case shall be the contractor who signs each separate contract. The Contractor shall not cause any unnecessary hindrance or delay to any other contractor working on the Project. If the performance of any contract for the Project is likely to be interfered with by the simultaneous execution of some other separate contract or contracts, RMWD will decide which contractor may proceed. RMWD shall not be responsible for any damages suffered or extra costs incurred by the Contractor resulting directly or indirectly from the award or performance or

attempted performance of any other separate contract or contracts on the Project, or caused by any decision or omission of RMWD respecting the order of precedence in the performance of the separate contracts awarded for completion of the Project. Any costs caused by defective or ill-timed work shall be borne by the contractor responsible therefore.

- 14.2 Mutual Responsibility of Contractors. The Contractor shall cooperate with other contractors with regard to storage of materials and execution of their work, and shall coordinate with them with respect to construction scheduling and sequence of operations, all subject to the approval of RMWD. The Contractor shall properly connect his Work to the work of separate contractors, and shall inspect the work of other contractors affecting his Work and promptly report to RMWD in writing any irregularities or defects in the separate contract work which renders it unsuitable for reception or connection of his Work. Failure of the Contractor to inspect and report shall constitute an acceptance of the other contractor's work as fit and proper to receive his Work, except as to defects which may develop in the other separate contractor's work after the execution of the Contractor's Work.

Each Contractor shall monitor the schedule and progress of each other Contractor whose work affects his own work, and shall be responsible for giving timely notice to RMWD of potential problems of interface so that RMWD can mitigate the issue.

- 14.3 Cutting and Patching Under Separate Contracts. The Contractor shall be responsible for any cutting, fitting and patching that may be required to complete his Work except as otherwise specifically provided in the Contract Documents. The Contractor shall not endanger any work of any other contractor by cutting, excavating, or otherwise altering any work and shall not cut or alter the work of any other contractor except with the written consent of RMWD.

- 14.4 Claims Between Separate Contractors. Should the Contractor cause damage to the work or property of any separate contractor on the Project, the Contractor shall, upon due notice, settle with such other contractor by agreement or arbitration, if he will so settle. If such separate contractor sues RMWD or initiates an arbitration proceeding on account of any damage alleged to have been so sustained, RMWD will notify the Contractor who shall defend such proceedings at the Contractor's expense, and if any judgment or award against RMWD arises therefrom the Contractor shall pay or satisfy it and shall, as provided in Paragraph 20.12, pay RMWD for all attorneys' fees, court or arbitration costs, and additional administrative, professional, consultant, inspection, testing, and other service costs which RMWD has incurred.

## ARTICLE 15 – RMWD’S AND ENGINEER’S STATUS DURING CONSTRUCTION

- 15.1 Authority of RMWD. RMWD shall have the authority to enforce compliance with the Contract Documents. On all questions relating to quantities, the acceptability of materials, equipment, or Work, the adequacy of the performance of the Work, and the interpretation of the Drawings and Specifications, the decision of RMWD is final and binding and shall be precedent to any payment under the Contract Agreement unless otherwise provided in the Contract Documents. RMWD shall have the authority to stop

the Work or any part thereof as may be necessary to ensure the proper execution of the Work, to disapprove of or reject Work which is defective, to require the uncovering and inspection or testing of Work as provided in Paragraph 17.5, to require re-examination of Work as provided in Paragraph 18.4, to issue interpretations and clarifications as provided in Paragraph 3.2, to order minor changes or alterations in the Work as provided in Paragraph 16.6, and other authority as provided elsewhere in the Contract Documents. RMWD shall not be liable for the results of any ruling, interpretation or decision rendered or request, demand, instruction, or order issued by him in good faith. The Contractor shall promptly comply with request, demands, instructions, and orders from RMWD.

- 15.2 Engineer's Observation of the Work. The Engineer will make periodic observations of the progress and quality of the executed Work and will determine, in general, if the Work is proceeding in accordance with the Contract Documents. The Engineer will not be required to make exhaustive or continuous observations to check the quality or quantity of the Work. Neither observations by the Engineer nor inspections, tests, or approvals by persons other than the Contractor shall relieve the Contractor from his obligations to perform and construct the Work in accordance with the requirements of the Contract Documents. RMWD will inform the Contractor in writing of other duties of the Engineer under the Contract Documents, if any.
- 15.3 Limitations On Responsibility. RMWD and the Engineer will not be responsible for construction means, methods, techniques, procedures, sequences, or the safety precautions and programs incident thereto, or for the acts or omissions of the Contractor or any Subcontractor, Sub-subcontractor, or any of their agents or employees, or any other persons performing any of the Work, or for the Contractor's failure to perform and construct the Work in accordance with the Contract Documents. Neither the Engineer's authority to act under the Contract Documents nor any decision made by him in good faith either to exercise or not exercise such authority shall give rise to any duty or responsibility of the Engineer to the Contractor, any Subcontractor or Sub-subcontractor, any of their agents or employees or any other person performing any of the Work, nor shall anything in the Contract Documents create any contractual relationship between any of them and the Engineer.
- 15.4 Protests. If the Contractor considers any Work requested or ordered of him to be outside the requirements of the Contract Documents, or considers any request, demand, instruction, order, ruling, or decision of RMWD to be unfair, he shall, within ten (10) work days after any such request, demand, instruction, orders, ruling, or decision is made or given, file a written protest with RMWD stating clearly and in detail his objections and the reasons therefore. Except for written protests as are made of record in the manner and within the time stated herein, the Contractor shall be deemed to have waived and does hereby waive all grounds for protests or objections to such request, demands, instruction, orders, ruling, or decisions. RMWD will issue a written decision regarding each protest so filed with reasonable promptness.

## ARTICLE 16 – CHANGES IN THE WORK

- 16.1 Change Orders. Without invalidating the Contract Agreement and without notice to sureties or insurers, RMWD may, at any time, order additions, deletions, or revisions in the Work; these will be authorized by Change Order. The Contractor shall comply promptly with the requirements of all executed Change Orders. The Work involved in Change Orders shall be executed under the applicable conditions and requirements of the Contract Documents. If any Change Order causes an increase or decrease in the Contract Price or an extension or shortening of the Contract Time, an equitable adjustment will be made and included in the Change Order. Additional or extra Work performed by the Contractor without authorization of a Change Order will not entitle the Contractor to an increase in the Contract Price or an extension of the Contract Time, except as provided in subparagraph 13.8.1 for emergencies and in Paragraph 18.4 for the re-examination of Work.
- 16.2 Valuation of Change Orders. When required by RMWD, the Contractor shall submit in the form prescribed by RMWD an itemized cost breakdown with supporting data of the quantities and prices used by him in computing the value of any change that may be ordered. The cost or credit to RMWD resulting from a change in the Work will be determined by one or more of the following methods: (a) by an acceptable lump sum proposal from the Contractor, (b) by unit prices accepted by RMWD and stated in the Contract Documents or unit prices subsequently fixed by agreement between the parties, (c) by cost and a mutually acceptable fixed amount for overhead and profit, or (d) by force account when directed in writing and administered by RMWD. Under the methods described in (c) and (d), the Contractor shall maintain an accurate written daily direct cost record pertaining to such ordered Work in the form and detail acceptable to RMWD. The Contractor shall certify each daily record to be true and correct, and shall furnish copies to RMWD as the ordered Work progresses. The direct costs so recorded shall include only the labor cost for workmen and foremen (payroll taxes and assessments, fringe benefits, employer's contributions, workers' compensation coverage, withholdings required by law, and other verified direct labor costs included), the cost of materials and equipment delivered and installed in such Work as substantiated by appropriate documents, the cost of construction machinery and equipment based on fair rental values acceptable to RMWD, and the cost of incidentals directly related to such Work. The direct costs shall not include any labor or office costs pertaining to the Contractor, his superintendents, his office staff and office facilities, or anyone not directly employed on such Work, nor the premium costs for bonds or insurance other than workers' compensation insurance, nor the cost or rental of small tools as all such indirect costs form a part of the Contractor's overhead expense. Under the method described in (d), the maximum percentage which will be allowed for the Contractor's combined overhead and profit will be: (1) for all such Work done by his own organization, the Contractor may add up to ten (10) percent of his actual net increase in cost, and (2) for all such Work done by Subcontractors, each Subcontractor may add up to ten (10) percent of his actual net increase in costs for combined overhead and profit and the Contractor may add up to five (5) percent of the Subcontractor's total for his combined overhead and profit. The amount of credit to be allowed by the Contractor to RMWD for any such change which results in a net decrease in cost will be the amount

of the actual net decrease as determined by RMWD taking into consideration adjustments for overhead and profit as determined herein, plus deductions for combined overhead and profit as computed in (1) and (2) above. When both additions and credits are involved in any one change, the combined overhead and profit shall be figured on the basis of the net difference.

- 16.3 Notice to Sureties. The Contractor shall notify his sureties and the carriers of the insurance furnished and maintained by him of any changes affecting the general scope of the Work or change in the Contract Price, and the amount of the applicable Bonds and the coverage of the insurance shall be adjusted accordingly. The Contractor shall furnish proof of such adjustments to RMWD.
- 16.4 Contractor's Claims. If the Contractor wishes to make a claim for a change in the Contract Price or the Contract Time, the Contractor shall give RMWD written notice thereof within ten (10) work days after the occurrence of the event giving rise to such claim. This notice shall be given by the Contractor before proceeding to execute the Work covered by the claim except in an emergency endangering life or property. No such claim shall be valid unless so made. Any change in the Contract Price or the Contract Time resulting from a claim that is approved by RMWD will be authorized by Change Order.
- 16.5 Adjustment of Unit Prices. If unit prices are stated in the Contract Documents or subsequently agreed upon, and if the quantities originally contemplated are so changed (by 30% or greater quantity change) in a proposed Change Order such that application of the agreed unit prices to the quantities of Work proposed will create a hardship on RMWD or the Contractor, the applicable unit prices will be equitably adjusted to prevent such hardship by negotiation or by force account.
- 16.6 Minor Changes. RMWD may issue written Field Orders or other written orders that authorize minor changes or alterations in the Work consistent with the overall intent of the Contract Documents that do not involve an adjustment in the Contract Price or an extension of the Contract Time. Such orders shall be binding on the Contractor and he shall carry out such orders promptly. If the Contractor believes any minor change or alteration ordered by RMWD entitles him to an increase in the Contract Price or an extension of the Contract Time, he may make a claim therefore as provided in Paragraph 16.4.
- 16.7 Information Revisions Caused by Change Orders. As provided in Paragraph 12.12, whenever a Change Order or other Modification causes a change in the information contained in previously approved submittals, the Contractor shall include in the itemized breakdown required of him under Paragraph 16.2 all costs for preparing and submitting revised information and submittals corresponding to the changed requirements. If the Change Order or other Modification causes no change in such information or submittals, the Contractor shall so certify in writing in his itemized breakdown.
- 16.8 Change Order Procedure. The following procedure will be followed in issuing a change order.
- 16.8.1 The Inspector identifies the need for a change in plans.

- 16.8.2 The Inspector discusses the required change with the Engineer and Contractor.
- 16.8.3 The Engineer prepares a detailed description of the Work required, including any additional drawings, and prepares a change order in the required format.
- 16.8.4 The change order is provided to the Contractor for his review and negotiation of the price for the change.
- 16.8.5 The Engineer and Contractor agree on the Work to be performed and price for doing the Work. Each signs the change order, indicating that both agree as to the terms of performing the required change.
- 16.8.6 The Engineer submits the change order to the RMWD through the designated RMWD Representative.
- 16.8.7 If the RMWD Staff concurs with the change order, it is submitted to the General Manager for approval and signature if the change order involves a change in a price that is within the General Manager's approval authority. If the change order involves a change in price that is greater than the General Manager's approval authority, it will be submitted to the Board of Directors for approval. If the Board of Directors approves, the General Manager signs the change order, authorizing the change to be implemented.
- 16.9 Field Order Procedure. The following procedure will be followed in issuing a field order.
  - 16.9.1 Inspector identifies the need for a field order change.
  - 16.9.2 The Inspector discusses the required change with the Engineer and Contractor.
  - 16.9.3 The Inspector prepares a detailed written description of the minor changes or alterations in the work.
  - 16.9.4 The Contractor reviews field order.
  - 16.9.5 The Inspector and Contractor agree on field order work to be performed. Each signs the field order, indicating that both agree as to the terms of performing the required changes.
  - 16.9.6 General Manager signs the field order authorizing the change to be implemented.

ARTICLE 17 – ACCES, INSPECTIONS, AND TESTS

- 17.1 Access to the Work and Records. RMWD, the Engineer, the Inspector, and the representatives of any Federal, State or other public body or authority having jurisdiction of the Project shall have, at all times and for any purpose, immediate access to the Work and the premises used by the Contractor for the Work and shall have access to the places where materials or equipment are being fabricated, manufactured, or produced for the Work. To the extent requested by RMWD, the Contractor shall furnish access to the purchase orders and records, invoices, bills of lading, payroll records, and other documents and records pertaining to the Work, or shall furnish certified true copies thereof at his expense.
- 17.2 Inspection. RMWD will furnish inspection of the Work at no cost to the Contractor except as provided in Paragraphs 4.3, 14.4, 17.5, 17.6, 18.1, and 21.2, and except for inspections required to be furnished and paid for by the Contractor elsewhere in the Contract Documents. All Work shall be performed and constructed under the inspection of the Inspector unless waived in writing by RMWD in each case or exempted wholly or in part from inspection elsewhere in the Contract Documents. Any Work requiring such inspection that is performed or constructed in the absence of the Inspector shall be considered defective and is subject to rejection. The Contractor shall give written notice to RMWD at least five (5) work days in advance of the performance of any part of the Work requiring special inspection by someone other than the Inspector and shall state the probable duration of the required special inspection. Inspection of any material or equipment at the factory or shop will not constitute an acceptance. The Inspector is authorized to suspend any part or all of the Work, by notice to the Contractor confirmed in writing, when a question arises as to whether the materials or equipment being installed or the methods or workmanship being used comply with the Contract Documents until such question is decided by RMWD. The Inspector is not authorized to accept or reject any Work, to modify or change any requirement of the Contract Documents, to advise or instruct the Contractor or his employees as to the prosecution of the Work, to perform any duty or service for the Contractor, or relieve the Contractor of the obligation to fulfill any conditions and requirements of the Contract Documents.
- 17.3 Testing. All Work, materials, and equipment to be performed and constructed by the Contractor are subject to testing for compliance with the Contract Documents and shall be tested when required by the Contract Documents. The Contractor shall give RMWD timely written notice of the dates and times that testing is to be performed at the site or the place of manufacture or fabrication. All tests are subject to the observation of the Engineer and approval of RMWD and shall be performed as directed by RMWD unless otherwise provided in the Contract Documents. Materials or equipment required to be tested prior to installation shall not be installed until RMWD has approved the test results and the tested material or equipment in writing. Under these Contract Documents, the Contractor shall employ the services and pay the costs of tests performed by a testing laboratory or agency for field slump tests, concrete strength, optimum moisture, soil compaction tests and painting/crating in the field and at the shop. The Contractor shall bear all other testing costs. The Contractor shall pay RMWD, in accordance with Paragraph 20.12, any cost RMWD

incurs for test where the tested material or equipment fails the test and for retesting caused by failure disclosed in previous tests.

- 17.3.1 Contractor's Testing Agency. If materials or equipment are required to be tested by a testing laboratory or agency employed by the Contractor, the testing laboratory or agency shall be satisfactory to and approved by RMWD. The Contractor shall deliver five (5) certified copies of each test report to RMWD unless otherwise specified.
- 17.3.2 Test Samples. The Contractor, at his expense, shall furnish samples of materials to be tested in sufficient time before use to allow for testing and to cause no delay in the Work.
- 17.3.3 Test Costs. The Contractor shall bear all testing costs unless otherwise provided in the Contract Documents.
- 17.4 Operational Tests. After the Work is completed and as one of the precedents to final inspection, the Contractor shall perform operational tests as required by the Contract Documents and as required to demonstrate to RMWD the correct and proper operation of the various facilities forming a part of the Work including but not limited to the correct sequences of operation and the satisfactory performance of all components. The Contractor shall repair, replace, adjust, or otherwise correct the improper operation of any system or component and all faulty or defective Work as RMWD may require for his approval. Based upon the operational tests results, the Contractor shall prepare and submit revised or additional information and data for the previously approved submittals as required by RMWD and as provided in Paragraph 12.12. Each operational test shall be performed continuously for not less than 168 hours (7 days).
- 17.5 Uncovering the Work. Any Work that is covered by the Contractor before required inspections or tests are performed or approvals are given shall be uncovered by the Contractor to the extent directed by RMWD, and the Contractor shall bear all the expense for uncovering, exposure, inspection, testing, and of satisfactory reconstruction.
- 17.6 Inspections, Tests, and Approvals Required By Others. If the laws, ordinances, rules, regulations, or orders of any public body or authority having jurisdiction require any Work to be specifically inspected, tested, or approved by someone other than the Contractor, RMWD, or the Inspector, the Contractor shall give all required notices and make all required arrangements therefore, and shall deliver to RMWD certificates of inspection, testing, or approval issued by the applicable public bodies or authorities having jurisdiction. The cost of all such inspections, tests, and approvals shall be borne by the Contractor unless otherwise provided in the Contract Documents.
- 17.7 Soil Compaction Testing. The Contractor shall employ the services and pay the costs of tests performed by a testing laboratory for optimum moisture and soil compaction tests in the field.

## ARTICLE 18 – DEFECTIVE WORK

- 18.1 Correction of Defective Work. All Work, material, or equipment that is unsatisfactory, faulty, incomplete, or does not conform to the Contract Documents, or does not meet the requirements of any inspection, test, or

approval is defective. If the Work or any part thereof is found to be defective, whether or not manufactured, fabricated, installed, completed, or overlooked and accepted by RMWD, the Contractor shall, promptly and in accordance with the written instructions of RMWD and within the reasonable time limits stated therein, either correct such defective Work or, if it has been rejected by RMWD, remove it from the site and replace it with nondefective and conforming Work. The Contractor shall bear all costs for the correction or removal and replacement of defective Work and all additional direct and indirect costs RMWD may incur on account of defective Work including the costs of additional administrative, professional, consultant, inspection, testing, and other services. If such additional costs are incurred by RMWD prior to the making of final payment, a Change Order will be issued to effect a reduction in the Contract Price in the amount of RMWD's additional costs; otherwise, the Contractor shall pay the amount to RMWD in accordance with Paragraph 20.12. The Contractor shall also bear all costs of making good all Work and the work and property of separate contractors, RMWD, and others that is destroyed or damaged by his correction or removal and replacement of his defective Work.

- 18.2 RMWD's Right to Correct Defective Work. If the Contractor fails to correct or remove and replace defective Work in accordance with the requirements of Paragraph 18.1, RMWD may correct or remove and replace it without prejudice to any other remedy RMWD may have, and RMWD may store the removed materials or equipment at the expense of the Contractor. If the Contractor does not pay the cost of such removal and storage within ten (10) days thereafter, RMWD may upon ten (10) additional days' written notice sell such removed Work at auction or private sale and shall account for the net proceeds or deficit thereof, after deducting all expenses RMWD may incur from such removal, storage, or sale. If RMWD corrects or removes and replaces defective Work prior to the making of final payment, one or more Change Orders will be issued to effect appropriate reductions in the Contract Price for all costs and expenses incurred by RMWD in the correction or removal and replacement of defective Work, adjusted to account for the net proceeds or deficit of said auction or sale, if any, and all additional costs RMWD may incur on account of defective Work as provided in Paragraph 18.1; otherwise, the Contractor shall pay to RMWD the amount of all such costs and expenses incurred by RMWD adjusted to account for the net proceeds or deficit of said auction or sale, if any, in accordance with Paragraph 20.12.
- 18.3 RMWD's Right to Accept Defective Work. RMWD may accept defective Work instead of requiring its correction or removal and replacement. In such case, if acceptance occurs prior to the making of final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents, including appropriate reduction in the Contract Price covering the value of such accepted defective Work and the additional costs RMWD may incur on account of such defective Work as provided in Paragraph 18.1; or, if the acceptance occurs after the making of final payment, the amount that would have been the reduction in the Contract Price prior to the making of the final payment shall be paid by the Contractor to RMWD in accordance with Paragraph 20.12.
- 18.4 Re-Examination of Work. If RMWD, at any time prior to the final acceptance of the Work, orders reexamination of Work completed, including the uncovering, removing, exposing, dismantling, inspecting, or testing of Work covered by such order, the Contractor shall promptly comply with the order.

If the Work so re-examined is defective, the Contractor shall correct or remove and replace it with nondefective and conforming Work in accordance with all the provisions of Paragraph 18.1 and also shall bear the cost of the satisfactory reconstruction of the Work. If the Work so re-examined is not defective or if any defective or deficient condition discovered was caused by a separate Contractor employed on the Project, the Contractor shall satisfactorily reconstruct the Work as ordered by RMWD and, if claim is made as provided in Paragraph 16.4, a Change Order will be issued to compensate the Contractor for his Work under such order, valued as provided in Paragraph 16.2, and to effect an appropriate adjustment of the Contract Time.

## ARTICLE 19 – GUARANTEES AND WARRANTIES

- 19.1 Contractor's Guarantee. The Contractor shall warrant and guarantee the entire Work and all parts thereof, including that performed and constructed by Subcontractors, Sub-subcontractors, and others employed directly or indirectly on and for the Work, against faulty or defective materials, equipment, or workmanship for a period of one (1) year from the date of RMWD's written final acceptance of the Work or such longer period of time as may be prescribed by law or by the terms of any special guarantee or warranty required by the Contract Documents.
- 19.2 Bonds and Insurance. The performance bond and the public liability and property damage insurance required of the Contractor in Article 6 shall remain in full force and effect for the entire time of the Contractor's guarantee.
- 19.3 Corrections During Guarantee Period. The Contractor's correction of defective Work during the guarantee period shall be in accordance with all the provisions of Paragraph 18.1 or RMWD may correct or accept it as provided in Paragraphs 18.2 and 18.3.
- 19.4 Guarantee of Work on Property of Others. The Contractor's guarantee shall cover and include any of the Work installed on property not owned by RMWD, whether public or private, and shall include the repair of damage to improvements and existing conditions on such other property caused by settlement or otherwise resulting from the Contractor's operations unless the owner of such other property shall in writing release RMWD from liability and responsibility for Work or damage therefrom on such other property.
- 19.5 Manufacturer's Warranties. As a precedent to final inspection, the Contractor shall deliver to RMWD all the manufacturers' warranties required by the Contract Documents, with RMWD named as beneficiary. In addition, for all equipment and machinery bearing a manufacturer's warranty that extends for a longer period of time than the Contractor's guarantee, the Contractor shall secure and deliver the warranties to RMWD in the same manner.

## ARTICLE 20 – PAYMENTS AND COMPLETION

- 20.1 Schedule of Values. Prior to applying for the first progress payment, the Contractor shall submit to RMWD for approval, in the form directed by or acceptable to RMWD, a complete schedule of the values of the various portions of the Work, including quantities and unit prices if required by RMWD, aggregating the Contract Price (except in cases and to the extent that accepted unit prices form the basis for payment). The schedule shall subdivide the Work into component parts in sufficient detail to serve as the basis for progress payments during construction, to coordinate with the progress schedule required under Paragraph 2.6, to form the basis for possible change orders or field orders and shall be supported by such data to substantiate its correctness as RMWD may require. Each item in the Schedule of Values shall include its proper share of overhead and profit. An unbalanced breakdown providing for overpayment to the Contractor on items of Work performed during the initial phases of the Work, such as mobilization, will not be approved. The Schedule of Values, when approved by RMWD, shall be used only as a basis for the Contractor's applications for payment and not for additions to or deductions from the Contract Price.
- 20.2 Contractor's Certification. All applications for payment shall contain the Contractor's certification that all his labor for the period for which payment is claimed has been paid, including all amounts to the account of such labor lawfully required to be allocated, withheld, or set aside, and that he has assured himself and represents that all labor on the account of Subcontractors or Sub-subcontractors for which payment amounts are claimed has also been paid.
- 20.3 Contractor's Warranty of Title. The Contractor warrants and guarantee that title to all Work, materials and equipment covered by an application for payment, whether incorporated in the Work or not, will have passed to RMWD prior to the making of the application for payment, free and clear of all liens, claims, security interests or encumbrances (hereafter in these General Conditions referred to as "liens"); and that no Work, materials or equipment covered by an application for payment will have been acquired by the Contractor or by any other person performing the Work at the site or furnishing materials and equipment for the Work, subject to an agreement under which an interest therein or encumbrance thereon is retained by the seller or otherwise imposed by the Contractor or such other person.
- 20.4 Progress Payments. Unless otherwise provided in the Contract Documents, at least four (4) work days before each progress payment application falls due, but not more often than once a month, the Contractor shall submit to RMWD for review the itemized progress payment application in the form required by RMWD, filled out and signed by the Contractor and supported by such data substantiating the Contractor's right to payment as RMWD may require. Any progress payment application not accompanied by the revised progress schedule required of the Contractor in Paragraph 2.6 will be returned to the Contractor. Progress payments shall be made in accordance with the withholding requirements of Public Contract Code Section 9203.

Pursuant to Section 20104.50 of the California Public Contract Code, upon receipt of a payment request, RMWD shall review such request as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request. Any payment request determined not to be a proper payment request suitable for payment shall be returned to the

Contractor as soon as practicable, but not later than seven (7) days, after receipt. The returned request shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper. If RMWD fails to make any progress payment within thirty (30) days after receipt of an undisputed and properly submitted payment request, RMWD shall pay interest to the Contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the California Code of Civil Procedure. A "progress payment" includes all payments due to the Contractor, except that portion of the final payment designated by this Agreement as retention earnings. A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by a financial officer of RMWD.

Pursuant to Section 10262 of the California Public Contract Code and section 7108.5 of the California Business and Professions Code, the Contractor shall pay its Subcontractors, within seven (7) days of receipt of each progress payment, the respective amounts allowed the Contractor on account of the work performed by its Subcontractors, to the extent of each Subcontractor's interest therein.

- 20.4.1 Progress Payment for Materials and Equipment. If an application requests payment on account of imperishable materials or equipment not incorporated in the Work but delivered and suitably stored at the site, or at some other location approved by RMWD and agreed to in writing, the application shall be accompanied by such bills of sale, data, and other procedures satisfactory to RMWD as will establish RMWD's title to such materials or equipment or otherwise protect RMWD's interest including applicable liability and property insurance and transportation to the site. Payment on account of such materials or equipment will not include any amount for the Contractor's overhead or profit or relieve the Contractor of his obligation to protect and install such materials or equipment in accordance with the Contract Documents and for the restoration of damaged or defective Work.
- 20.4.2 Retention. RMWD will retain a portion of the amount otherwise due the Contractor. Unless otherwise provided in the Contract Agreement or subsequently agreed by the parties, RMWD will retain an amount equal to five percent (5%) of the estimated value of the actual Work completed and five percent (5%) of the value of material delivered on the ground or stored subject to, or under the control of, RMWD and unused. The amount of retention to be withheld under Subcontracts shall not exceed the amount held by RMWD.
- 20.4.3 Approval of Progress Payments. Upon receipt of an application for progress payment, the application shall be reviewed by RMWD as soon as practicable after receipt for the purpose of determining that the payment application is a proper payment application. Any payment application determined not to be a proper payment application suitable for payment shall be returned to the Contractor as soon as practicable, but not later than seven (7) calendar days, after receipt. An application returned pursuant to this paragraph shall be accompanied by a document setting forth in writing the reasons why the payment application is not proper. RMWD shall make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from the Contractor. The number of days available to RMWD to make a payment without incurring interest equivalent

to the legal rate set forth in subdivision (a) of Section 685.010 of the Code of Civil Procedure shall be reduced by the number of days by which RMWD exceeds the seven (7) calendar day return requirement set forth in this paragraph.

20.4.4 Each application for progress payment shall be accompanied by the following. Progress Payment Applications not accompanied by Items 1, 2, 3, and 4 below will be returned to the Contractor.

1. Progress Report – A narrative summary indicating the status of the Work performed and other pertinent activities including the actual percentage of Work completed, an estimate of the percentage of Work to be completed in the succeeding month, a revised CPM schedule, problem areas and manpower used by trade and hours. If the Work has fallen behind the schedule, the Contractor shall state how the time is to be made up to remain on schedule.
2. Record Drawings and Specifications – Submit changes during previous month. These may be photocopies of the Specifications or bluelines of the drawing sheets changed.
3. Certified Payrolls – Submit copies of certified payroll including fringe benefit statements for each employee during the progress period. The Contractor and each Subcontractor must comply with Sections 1776 and 1771.4(a)(3) of the Labor Code regarding payroll records.
4. Progress Photographs - A commercial photographer will not be required for the Work under this Contract. However, copies of any photographs taken during this project shall be submitted to RMWD for the permanent record. The Contractor shall submit all photographs in RAW, TIFF or JPG digital format on CD or DVD
  - a. General - Provide photographs of the site and construction throughout the progress of Work, acceptable to RMWD. Photographs shall be taken on the cutoff date for each application for payment and at the beginning and completion of each of the following elements of Work:
    1. Prior to Work
    2. Final Completion

In addition, the Engineer may request up to five (5) photographs of various views (non-aerial) in any one (1) month of progress or problem areas.

- b. Prints
  1. Color and Number. Provide three (3) full-color prints of each view.
  2. Size. Print size shall be 8 X 10 inches.
  3. Description. Identify each print on the back using appropriate materials which will not damage photos in any way, at the time or during subsequent storage. Descriptive information shall be permanently attached to back of photographs. List name of project, orientation of view, object photographed, date and

time of view, name and address of photographer and photographer's numbered identification of exposure. Slide identification may be on a separate document with each slide appropriately numbered.

- c. Photographs. Digital photographs in RAW, TIFF or JPG format will be required. Provide a CD with 3 sets of prints.
- d. Technique. Provide factual presentation. In each photograph include an object of known size to determine size of object being photographed. Provide correct exposure and focus, high resolution and sharpness, maximum depth of field and minimum distortion. Any photograph which is not clear and distinct, double exposed, over exposed, etc. shall be retaken.
- e. Views. Provide photographs from two (2) views at each element of Work. The Engineer will select the various viewpoints for photography.
- f. Submittals. Contractor shall deliver the prints and slides with each application for payment. The prints will be dated by the Photographer. One (1) of each retained by the Engineer and Contractor and RMWD will retain one (1) of each slide and print which will be the permanent record. The Contractor will include a bound photo album with pictures in place and a location within albums for negatives. Photo album will be professionally labeled and marked with the project name on the cover and back binder. (See Paragraph 20.4.4.4)

## 20.5 Withholding of Payments.

- 20.5.1 Right to Withhold. RMWD may refuse to approve any such payment , or, because of subsequently discovered evidence or the results of subsequent inspection or tests, nullify any such payment previously approved to such extent as may be necessary in the opinion of RMWD to protect RMWD from loss because: (a) the Work is defective, (b) third party claims have been filed or there is reasonable evidence indicating probable filing of such claims, (c) the Contract Price has been reduced because of Change Orders, (d) of the Contractor's failure to make payment properly to Subcontractors or for labor, materials, or equipment, (e) of damage to another contractor or to the property of others caused by the Contractor, (f) of reasonable doubt that the Work can be completed for the unpaid balance of the Contract Price, (g) of reasonable indication that the Work will not be completed within the Contract Time, (h) of the Contractor's neglect or unsatisfactory prosecution of the Work including failure to clean up, (i) RMWD has been required to correct defective Work as provided in Paragraph 18.2 or to finish the Work as provided in Paragraph 21.2, (j) of insurance premium costs RMWD has incurred by the Contractor's failure to maintain the insurance required of him, (k) of reasonable doubt as to the Contractor's warranty of title required under Paragraph 20.3, (l) of payments due RMWD from the Contractor, or (m) of provisions of law that enable or require RMWD to withhold such payments in whole or in part. When the grounds for withholding payments are removed, payment will be made for amounts withheld because of them to the extent the Contractor is entitled to payment.

- 20.5.2 RMWD's Right To Apply Withheld Payments. RMWD may, but is not obligated to the Contractor, his surety or sureties, or any third party, to apply the amounts withheld pursuant to subparagraph 20.5.1 to the payment of any and all claims which are grounds for such withholding. In so doing, RMWD shall be deemed the agent of the Contractor and any payments so made by RMWD shall be considered as a payment made under the Contract Agreement by RMWD to the Contractor and RMWD shall not be liable to the Contractor for such payment made in good faith. Such payment by RMWD may be made without prior judicial determination of the claim or claims. RMWD will render to the Contractor a proper accounting of such funds disbursed on behalf of the Contractor.
- 20.6 Payments to Subcontractors. The Contractor shall pay each Subcontractor, upon receipt of payment from RMWD, an amount equal to the percentage of completion allowed to the Contractor on account of such Subcontractor's Work, less the percentage retained from payments to the Contractor. The Contractor shall also require each Subcontractor to make similar payments to his Sub-subcontractors. If RMWD refuses or fails to approve an application for payment for any cause which is the fault of the Contractor and not the fault of a particular Subcontractor, the Contractor shall pay that Subcontractor on demand, made at any time after RMWD's approval for payment should otherwise have been issued, for his Work to the extent completed less the retained percentage. The Contractor shall pay each Subcontractor a just share of any insurance moneys received by the Contractor under subparagraph 6.2.7, and he shall require each Subcontractor to make similar payment to his Sub-subcontractors. Neither RMWD nor the Engineer shall have any obligation to pay or to see to the payment of any moneys to any Subcontractor or Sub-subcontractor except as may otherwise be required by law.
- 20.7 Final Inspection and Acceptance. Upon written notice from the Contractor that the entire Work required by the Contract Documents is complete and that all submittals required of him are made, and after the Contractor has delivered the Bonds, certificates in inspection, proof of insurance, guarantees, warranties, releases, and other documents, all as required by the Contract Documents or by law, a post construction conference will be held to review the Work and resolve any unsettled matters. Present at the conference shall be RMWD, the Engineer, the Inspector, the Contractor, and the Superintendent. Following this conference, Engineer will make a final inspection with RMWD and the Contractor, and RMWD will notify the Contractor in writing of any particulars in which this inspection reveals that the Work is defective, and will also notify the Contractor in writing of any deficiencies in the submittals and other documents required of him. The Contractor promptly shall make such corrections as are necessary to remedy all defects or deficiencies. After the Contractor has completed any such corrections to the satisfaction of RMWD, RMWD will issue a written final acceptance of the Work and file any notice of completion required by law or otherwise.
- 20.8 Application for Final Payment. After issuance of RMWD's final written acceptance, the Contractor may make application for final payment following the procedure for progress payments. Neither the final payment nor the remaining retained percentage shall become due unless the application for final payment is accompanied by such supporting data as RMWD may require, together with complete and legally effective releases or waivers, satisfactory to RMWD, of all liens arising out of the Contract Documents and the labor and services performed and the material and equipment furnished

thereunder. In lieu thereof and as approved by RMWD, the Contractor may furnish receipts or releases in full; an affidavit of the Contractor that the releases and receipts include all labor, services, material and equipment for which a lien could be filed, and that all payrolls, material and equipment bills, and other indebtedness connected with the Work for which RMWD or his property might in any way be responsible, have been paid or otherwise satisfied; and consent of Surety, if any, to final payment. If any Subcontractor, Sub-subcontractor, or supplier fails or refuses to furnish a release or receipt in full, the Contractor may furnish a Bond satisfactory to RMWD to indemnify him against any such lien. If any such lien remains unsatisfied after all payments are made, the Contractor or his surety shall pay to RMWD all moneys RMWD may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

- A. The Contractor must obtain an unconditional waiver and release of claims upon final payment from all suppliers and subcontractors which have filed preliminary notices with RMWD.
- B. The Contractor must obtain in writing releases from each owner of real property from which the Contractor has obtained permission to use land. Such release shall state that the land is returned to the property owner in an acceptable condition. Similar releases must be obtained from owners of property disturbed by the Contractor from which the Contractor has not obtained permission to use or enter; except that releases are limited to restoration of land to original lines and grades, restoration of vegetation and removal of waste material.

**THE APPLICATION FOR FINAL PAYMENT SHALL INCLUDE FROM THE CONTRACTOR A SIGNED RELEASE AND CERTIFICATE OF FINAL PAYMENT FORM AS INCLUDED HEREIN.** (See Release and Certificate of Final Payment, Section 00686.)

- 20.9 Approval of Final Payment. RMWD will, within ten (10) work days after the Contractor has fulfilled and satisfied all the requirements of Paragraph 20.8, indicate in writing his approval of payment or will return the application to the Contractor, indicating in writing his reasons for refusing to approve final payment, in which case the Contractor shall make the necessary corrections and resubmit the application. RMWD, within the time period stated in the Supplementary Conditions, Section 00800, will pay the Contractor the amount so approved unless a longer period of time is prescribed by law or required for the lawful filing and publishing of Notices of Completion and the expiration of any lien periods thereof. (See Supplementary Conditions, Section 00800)
- 20.10 Continuing Obligation of the Contractor. The Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is and shall be absolute. Neither the observation during construction and final inspection of the Work by RMWD and the Engineer, nor any payment by RMWD to the Contractor under the Contract Documents, nor any use or occupancy of the Work or any part thereof by RMWD, nor any act of acceptance by RMWD nor any failure to do so, nor any correction of defective Work by RMWD shall constitute acceptance of Work not in accordance with the Contract Documents.
- 20.11 Release of Claims. Contractor shall, before being entitled to final payment, also execute and file with RMWD a release upon the form provided by RMWD, releasing RMWD from all claims or liability relating to undisputed

contract amounts or work performed in relation to such amounts. However any payment, final or otherwise, shall not release the Contractor or his sureties from any obligations under the Contract Documents or the performance bond or payment bond. The making of final payment by RMWD shall not constitute a waiver of claims by RMWD for unsettled liens, from faulty or defective Work appearing after final acceptance of the Work by RMWD, from failure of the Work to comply with the requirement of the Contract Documents, or from the terms of any special guarantees or warranties required by the Contract Documents.

- 20.12 Contractor's Payment to RMWD. The Contractor shall pay to RMWD all moneys so required of him under the provisions of the Contract Documents. If any such payments are required prior to final payment, an appropriate Change Order will be issued and, as provided in subparagraph 20.5.1, the amount of such payments may be withheld from payments due the Contractor. If the payments then or then after due the Contractor are insufficient to cover any payments due RMWD from the Contractor, or if the amount of such payment due RMWD is determined after the making of final payment, the difference in the amounts of the payments or the amount so determined shall be paid by the Contractor to RMWD. The obligation of the Contractor to pay the moneys due RMWD from him shall specifically bind the Contractor's sureties, assigns, executors, administrators, and heirs to his obligation to so pay RMWD.
- 20.13 Interest. Any moneys not paid when due to either party under this Contract Agreement shall bear interest at the maximum legal rate in force at the place of the Project.
- 20.14 Nonreceipt of Payment. The Contractor shall notify RMWD in writing of any approved progress payment not received by him within five (5) work days after the date the payment should properly have been paid to him. In the absence of such written notice in each case, the Contractor hereby agrees and waives his right under Paragraph 21.5 to terminate the Contract Agreement or stop the Work on account of nonpayment by RMWD and further waives his right under Paragraph 20.13 to interest on the amount of any such payment not received by him.
- 20.15 False Claim Act. The Contractor certifies that he will not make any false claims pursuant to Government Code Section 12650 *et seq.*
- 20.16 Compliance with Law. Notwithstanding anything to the contrary in the foregoing provisions, this Article 20 shall be interpreted in accordance with Public Contract Code Section 7107.

## ARTICLE 21 – SUSPENSION AND TERMINATION

- 21.1 Suspension of Work. RMWD, at any time and without cause, may suspend the Work or any part thereof by notice in writing to the Contractor. Unless otherwise provided in the Contract Documents, the Contractor shall have no claim for damages or compensation on account of such suspension unless he makes a claim therefore as provided in Paragraph 16.4, but the Contractor will be allowed an extension of the Contract Time to complete the Work and an appropriate Change Order will be issued. The Contractor shall resume the Work when so notified in writing by RMWD.
- 21.2 Suspension of Contract Agreement. If the Contractor abandons the Work, or if he is adjudged a bankrupt or insolvent, or if he makes a general

assignment for the benefit of his creditors, or if a trustee or receiver is appointed for the Contractor or for any of his property, or if he files a petition to take advantage of any debtor's act or to reorganize under bankruptcy or similar laws, or if he persistently fails to supply sufficient skilled superintendence and workmen or suitable materials or equipment, or if he persistently fails to make prompt payments to Subcontractors or for labor, materials or equipment, or if he disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction, or if he disregards the authority of RMWD, or neglects to prosecute the Work in accordance with the Contract Documents including requirements of the progress schedule, or if he fails to promptly comply with the requirements of any Change Order, or if he assigns this Contract Agreement otherwise than herein provided, or if RMWD at any time is of the opinion that the performance of the Work is unnecessarily or unreasonably delayed or that the Contractor is willfully violating any of the provisions of the Contract Documents or is executing the same in bad faith, or if the Work is not fully completed within the Contract Time and any authorized extensions thereof, or if RMWD is of the opinion that the Work cannot be completed for the unpaid balance of the Contract Price or will not be completed within the Contract Time, or if the Contractor otherwise violates any provisions of the Contract Documents, then RMWD may, without prejudice to any other right or remedy and by means of written notice to the Contractor and his surety, instruct the Contractor to discontinue all Work or any part thereof under the Contract Agreement or terminate the services of the Contractor. The Contractor, under a written instruction to discontinue, shall not resume any of the Work except by written notice from RMWD. In either such case, RMWD may take possession of the Work and Project and of all materials, equipment, plant, tools, supplies, construction machinery and equipment, and property of every kind thereon owned and furnished by the Contractor for the purpose of the Work, and finish the Work by whatever method RMWD may deem expedient. The Contractor shall not be entitled to receive any further payment after the date of said written notice from RMWD unless instructed in writing by RMWD to resume any part of the Work, or until the Work is finished by RMWD if RMWD so elects. If the unpaid balance of the Contract Price exceeds the direct and indirect costs to RMWD of finishing the Work, including compensation for additional administrative, consultant, professional, testing, and inspection services, such excess will be paid to the Contractor. If such costs to RMWD exceed such unpaid balance, the Contractor, in accordance with Paragraph 20.12, shall pay the difference to RMWD.

- 21.3 Contractor's Continuing Liability. When the Contractor's services have been discontinued or terminated as provided in Paragraph 21.2, said discontinuance or termination shall not affect any rights of RMWD against the Contractor then existing or which may then after accrue. Any retention or payment of moneys by RMWD due the Contractor will not release the Contractor from liability.
- 21.4 Termination of Contract Agreement. Upon seven (7) calendar days written notice to the Contractor, RMWD may, without cause and without prejudice to any other right or remedy, elect to abandon the Work and terminate the Contract Agreement. In such case, the total compensation to be paid to the Contractor shall be determined on the basis of the components stated in Section 8-1.14(E) of the California Department of Transportation's Standard Specifications dated 2015 a copy of which is provided in Section 00700A.
- 21.5 Stopping Work or Termination by Contractor. If, through no fault, act, or omission of the Contractor or a Subcontractor or Sub-subcontractor or their

agents or employees or any other person performing any of the Work under a contract with the Contractor, the Work is suspended for a period of more than ninety (90) calendar days by RMWD (except as provided in Paragraph 23.7 for Federal hindrance) or under an order of any court or other public authority having jurisdiction, or RMWD fails to act on any application for progress payment within thirty (30) calendar days after it is submitted or RMWD fails to pay the Contractor any progress payment sum approved by RMWD within forty-five (45) calendar days of its approval, or RMWD fails to pay the Contractor any sum awarded by arbitrators within sixty (60) calendar days of its approval and presentation, then the Contractor may, upon fourteen (14) calendar days written notice to RMWD, terminate the Contract Agreement and recover from RMWD payment for all Work satisfactorily executed and for any proven loss sustained upon any materials, equipment, tools, and construction equipment and machinery, including reasonable profit and damages. In addition and in lieu of terminating the Contract Agreement, if RMWD has failed to act on an application for progress payment or has failed to make any progress payment as aforesaid, the Contractor may, upon fourteen (14) calendar days written notice to RMWD, stop the Work until he has been paid all amounts then correctly due him, in which event and upon resumption of the Work, an appropriate Change Order will be issued for adjusting the Contract Price or extending the Contract Time, or both, to compensate for the costs and delays attributable to such storage of the Work.

- 21.6 Continuing Liability of Sureties. Termination of the contract shall not relieve the surety or sureties from obligations for any just claims arising out of the Work performed.

#### ARTICLE 22 – ARBITRATION

- 22.1 Resolution of Certain Disputes. See California State Requirements, Section 00800CA, Paragraph O.
- 22.2 Payment of Undisputed Amounts. RMWD shall be entitled to withhold any disputed unpaid contract amount, which would otherwise be due and payable after the filing of any claim by the Contractor pursuant to Article 22 of the General Conditions, pending final resolution of the claim.
- 22.3 Waiver of Rights. Except as set forth in this Article 22, or as otherwise provided under state law, it is understood and agreed by the parties that all rights any of them may have to arbitration for settling of disputes, claims, and other matters arising out of or relating to this Contract Agreement or the breach thereof are hereby specifically waived by all of them.

#### ARTICLE 23 – MISCELLANEOUS PROVISIONS

- 23.1 Successors and Assigns. RMWD and the Contractor each binds himself, his partners, successors, assigns and legal representatives to the other party hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in the Contract Documents. Neither party to the Contract Agreement shall assign the Contract Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any moneys due or to become due to him hereunder without the previous written consent of RMWD.

- 23.2 Written Notice. Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm or to an officer of the corporation for whom it was intended on the date of delivery, or if delivered at or sent by registered or certified mail to the last business address known to him who gives the notice on the third business day after it is deposited in the mail, or if delivered to the Project Superintendent on the date of delivery. The address given in the Contractor's Bid on which the Contract Agreement is founded is hereby designated as the place to which all notices, letters, and other communications to the Contractor shall be mailed or delivered, except that said address may be changed by the Contractor by notifying RMWD in writing. This shall not preclude the service of any notice, letter or other communication upon the Contractor personally.
- 23.3 Communications. RMWD will issue all communications to the Contractor and the Contractor shall deliver all communications to RMWD unless otherwise provided in the Contract Documents or directed by RMWD.
- 23.4 Rights and Remedies. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder and, in particular but without limitation, the warranties, guarantees and obligations imposed upon the Contractor by subparagraph 6.2.4 and by Paragraphs 6.4, 19.1, and 20.3 and the rights and remedies available to RMWD and the Engineer thereunder, shall be in addition to and not a limitation of any otherwise imposed or available by law, by special guarantee or warranty, or by other provisions of the Contract Documents.
- 23.5 Royalties and Patents. Unless otherwise specifically stipulated elsewhere in the Contract Documents, the Contractor shall pay and, in particular but without limitation, the warranties, guarantees and obligations imposed upon the Contractor by subparagraph 6.2.4 and by Paragraphs 6.4, 19.1, and 20.3 and the rights and remedies available to RMWD and the Engineer thereunder, shall be in addition to and not a limitation of any otherwise imposed or available by law, by special guarantee or warranty, or by other provisions of the Contract Documents.
- 23.6 Federal Hindrance. In entering into this Contract Agreement, it is clearly understood by all parties hereto that conditions may subsequently arise resulting from, connected with, or growing out of any war in which the United States may be engaged, or any national emergency or condition created directly or indirectly by or for the national defense or national interests, and which are entirely beyond the control of either party, that may hinder, delay or render impossible the performance of this Contract Agreement in accordance with its terms and conditions. It is therefore mutually understood and agreed, anything herein contained to the contrary notwithstanding, that in the event the Contractor shall be prevented from performing the Work or any part thereof by reasons of the conditions above stated, the Contractor shall notify RMWD in writing of his inability to perform, stating in full the reason therefore and the probable duration of such inability. If required, he shall also submit proof or evidence in support of his claim of inability to perform. If it shall appear to the satisfaction of RMWD that the cause of inability to perform arose after the Contract Agreement was entered into and is beyond the control of the Contractor, RMWD may, (a) if lawfully within its power, remove the cause which prevents performance; or (b) suspend this Contract Agreement until the cause of inability to perform is removed; or (c) with the consent of the Contractor, renegotiate or amend this Contract Agreement by extending the time of performance or by making the changes in the character of the Work, or in the materials or equipment

required in order to enable performance of the Work; or (d) waive performance of that part of the Work which is impossible, or supply substitute materials for those unavailable, and where this remedy is resorted to, the payment due the Contractor will be reduced to the extent of the Work not required to be performed, based so far as is practicable upon unit prices bid, by an appropriate Change Order. If none of the foregoing procedures are adopted by RMWD within thirty (30) calendar days after RMWD is satisfied and so finds that the Contractor is unable to perform for the reasons above stated, then either party hereto may, without incurring any liability, elect to declare this Contract Agreement terminated upon the ground of impossibility of performance. Upon such termination, the Contractor will be paid as provided in Paragraph 21.4 for termination of the Contract Agreement.

- 23.7 Oral Agreements. No oral order, objection, claim or notice by any party to the others shall affect or modify any of the terms or obligations contained in any of the Contract Documents, and none of the provisions of the Contract Documents shall be held to be waived or modified by reason of any act whatsoever, other than by a definitely agreed waiver or modification thereof in writing, and no evidence shall be introduced in any proceeding of any other waiver or modification.
- 23.8 Work in Jurisdiction of Others. Where any of the Work is adjacent to or crosses highways, railroads, streets, utilities, property, right-of-ways, or easements under the jurisdiction of Federal, State, County, City or other public agency, public utility, or private entity from whom RMWD has not obtained permits, the Contractor shall secure written permission from the proper authority and furnish bonds and insurance and pay all fees and charges as the proper authority may require for permission before executing such Work. A copy of each written permission shall be filed with RMWD before such Work is begun. The Contractor shall repair or replace all existing construction damaged in the execution of the Work to the satisfaction of the proper authority, and shall furnish to RMWD a release from the proper authority prior to final inspection of the Work.
- 23.9 Cash Allowances. When included in the Contract Documents, the Contractor shall include in his Bid and the Contract Price the cash allowances stated in the Contract Documents. These stated allowances represent the net cost estimate of the materials and equipment delivered and unloaded at the site, and all applicable taxes. The Contractor's handling costs on the site, labor, installation costs, overhead, profit and other expenses contemplated for the cash allowance material and equipment shall be included in the Contract Price since they are not included in the cash allowance estimates. The Contractor shall purchase the cash allowance materials and equipment as directed by RMWD on the basis of the lowest responsive bid of at least three competitive bids. If the actual cost of the materials and equipment approved by RMWD delivered and unloaded at the site and all applicable taxes is more or less than the cash allowance estimates, the Contract Price will be adjusted accordingly by Change Order.
- 23.10 Ownership of Documents and Models. All Drawings, Specifications and copies thereof furnished to or obtained by the Contractor, and all models pertaining to the Work are and shall remain the property of RMWD or the Engineer as they may agree. They shall not be used by the Contractor on any other project and, with the exception of one (1) contract set of Drawings and Specifications to be retained by the Contractor, shall be returned, on request and as directed, prior to final acceptance of the Work.

- 23.11 Use of Completed Portions. RMWD shall have the right, upon written notice to the Contractor, to take possession or occupancy of and use any completed or partially completed portions of the Work, notwithstanding that the time for completing the entire Work or such portions may not have expired; but such taking possession or occupy and use shall not be deemed a waiver of any requirement of the Contract Documents or a waiver or acceptance of any Work not completed in accordance with the Contract Documents. If such prior possession, occupy, or use increases the cost of or delays the completion of uncompleted Work or causes repair or refinishing of completed Work, the Contractor shall be entitled to such extra compensation or extension of time, or both, as agreed by RMWD and an appropriate Change Order will be issued. The Contractor will not be required to perform housekeeping obligations in or bear utility costs for buildings or structures to the extent so occupied or used by RMWD. If RMWD takes possession of and places any of the machinery or equipment of the Work into continuing operation consonant with its intended final service or purpose and for his beneficial use, the period of the Contractor's guarantee, solely with respect to such machinery or equipment, shall begin on the first day of such beneficial use by RMWD and RMWD will bear the utility and maintenance costs for such beneficial use. Prior to RMWD taking possession, occupancy, or use of any portion of the Work, but not as a condition or precedent to RMWD's right thereto, RMWD and the Contractor shall jointly inspect and determine the condition and completeness of the involved portions of the Work, shall agree upon appropriate procedures and other pertinent matters including the payment or apportioning of utility costs, and shall execute a memorandum recording the inspection determination and the procedures and matters agreed. Such possession, occupancy, or use by RMWD under this paragraph shall not entitle the Contractor to claim or receive payment of any amounts retained or withheld by RMWD pursuant to subparagraphs 20.4.2 and 20.5.1 unless otherwise agreed by the parties.
- 23.12 Cleaning Up. The Contractor shall at all times during the Work keep the site and premises, adjoining property, and public property free from accumulations of waste materials, rubbish, and other debris resulting from the Work, and at the completion of the Work shall remove all waste materials, rubbish and debris from and about the site and premises as well as all tools, construction equipment and machinery, and surplus materials, and shall leave the site and premises clean and ready for occupancy by RMWD. The Contractor shall restore to their original condition those portions of the site not designated for alteration by the Contract Documents. Paved walkways, parking areas, and roadways shall be swept and broomed clean. Cleaning up operations shall include the removal and disposal of earth that is contaminated and the filling of resulting excavations with sound compacted earth as directed and approved by RMWD. Contamination includes the earth in areas used for disposal of waste concrete, mortar, plaster, masonry, and like materials'; areas in which washing out concrete and plaster mixers or washing of tools and like cleaning operations have been performed; areas that have been oiled, paved, or chemically treated; and areas where waste oils, solvents, paints, solutions, or similar materials of a penetrating nature have been incorporated into the soil. RMWD will determine the contaminated earth areas. No waste material shall be buried or disposed of on RMWD's property unless so permitted in the Contract Documents or approved in writing by RMWD. Before the Contractor applies for final inspection and acceptance of the Work, all items of Work shall be complete, ready to operate, and in a clean condition as determined by RMWD.

- 23.13 RMWD's Right to Clean Up. If the Contractor fails to satisfactorily clean up or if a dispute arises between the Contractor and any separate contractor as to their responsibility for cleaning up, RMWD may clean up and charge the cost thereof to the Contractor for his failure, or to the several Contractors as RMWD shall determine to be just.
- 23.14 Certificates. Each certificate, required under the Contract Documents shall be signed by the individual, office, or agent lawfully authorized to execute the certificate, and such authority shall be cited in the certificate by title, description, or other acceptable evidence. All certificates shall be sworn and notarized as to the correctness and validity of the contents, and duplicate copies shall be notarized to be true copies.
- 23.15 Excavations; Discovery of Hazardous Conditions.  
See California State Requirements, Section 00800CA, Paragraph P.
- 23.16 California State Codes. The Contractor shall comply with all requirements of Section 00800CA which outlines particular State of California laws.
- 23.16.1 Wage Rates. See California State Requirements, Section 00800CA, Paragraph A.
- a. Working Hours. See California State Requirements, Section 00800CA, Paragraph D.
  - b. Apprentices. See California State Requirements, Section 00800CA, Paragraph C.
  - c. Payroll Records. See California State Requirements, Section 00800CA, Paragraph K.
  - d. Ineligible Subcontractors. See California State Requirements, Section 00800CA, Subparagraph A.3.
  - e. Penalties. See California State Requirements, Section 00800CA, Paragraph A.2.
- 23.16.2 Safety Orders. The California Construction Safety Orders in effect during the Work shall apply continuously until final acceptance of the Work.
- 23.16.3 Subcontractors. See California State Requirements, Section 00800CA, Paragraph R.
- 23.17 Substitution of Securities for Monies Withheld to Ensure Performance of Contractor. See California State Requirements, Section 00800CA, Paragraph I.
- 23.18 No Discrimination. Contractor shall not discriminate in the employment of persons upon the Contract Work because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of such persons. Contractor shall cause an identical clause to be included in every subcontract for Contract Work.

- 23.19     Copyrights and Patents. The Contractor shall and does hereby hold and save RMWD harmless from liability of any nature and kind, including costs and expenses, for or on account of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance, manufactured, furnished or used by him in the performance of this Contract, including their use by RMWD unless otherwise specifically stipulated in this Contract.
- 23.20     Anti-Trust Claims. In entering into this Contract or a subcontract to supply goods, services, or material pursuant to this Contract, the Contractor or Subcontractor offers and agrees to assign to RMWD all rights, title, and interest in and to and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from the purchase of goods, services, or materials pursuant to the Contract or the subcontract. This assignment shall be made and become effective at the time RMWD tenders final payment to the Contractor, without further acknowledgment by the parties.
- 23.21     Attorneys' Fees. In the event any legal action is commenced to enforce or interpret the terms and conditions of this Agreement, the prevailing party shall, in addition to any other costs and relief, be entitled to reasonable attorneys' fees.
- 23.22     Notice of Third Party Claims. RMWD will timely notify Contractor in the event that a claim is filed by a third party which is related to the Contract. RMWD will notify Contractor of such claim within ten (10) business days from the date on which RMWD is made aware of the claims. RMWD may recover reasonable costs incurred in providing such notification.

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## SHOP DRAWING SUBMITTAL FORM

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Submittal No. \_\_\_\_\_ Specifications Section: \_\_\_\_\_

Submittal Description: \_\_\_\_\_

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PROJECT INFORMATION	ROUTING	DATE
Owner: Rainbow Municipal Water District	Contractor to District	
Project Name:	District to Contractor	
Project No.:		
Contractor:		

We are sending you: \_\_\_\_\_ Attached \_\_\_\_\_ Under Separate Cover Via \_\_\_\_\_

Other: \_\_\_\_\_

\_\_\_\_\_ Submittals for Approval (Submit electronic copies for approval).

\_\_\_\_\_ Product Data for Information Only (Submit electronic copies for approval).

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Item	Copies	Date	Section No.	Description	Review/Action

**Contractor to Certify either A or B:**

\_\_\_\_\_ A. We have verified that the material or equipment contained in this submittal meets all requirements, including coordination with all related work, as specified (no exceptions).

\_\_\_\_\_ B. We have verified that the material or equipment contained in this submittal meets all the requirements specified, except for the following (or attached) deviations:

\_\_\_\_\_

**Certified By:** \_\_\_\_\_  
Contractor's Signature Date Signed

Owner: **Rainbow Municipal Water District** Project: \_\_\_\_\_

Contractor: \_\_\_\_\_ Project No: \_\_\_\_\_

Date: \_\_\_\_\_ RFI No. \_\_\_\_\_

<b>RFI DATA/INFORMATION</b>					
<b>Originator</b>			<b>Date Transmitted:</b>		
<b>Directed To:</b>			<b>Date Received:</b>		
<b>Drawing Reference:</b>			<b>Date Reply Transmitted:</b>		
<b>Specification Section:</b>			<b>Date Reply Received:</b>		
<b>Subject:</b>					
<b>Date Reply Required:</b>					
<b>Message:</b>          					
<b>Originator:</b>			<b>Date</b>		
<b>Reply:</b>          					
<b>Reply By:</b>			<b>Firm</b>		<b>Date:</b>



To: \_\_\_\_\_ Date: \_\_\_\_\_  
Contractor

As a result of the contractor's request to use the substitution (or equal) titled \_\_\_\_\_, the following redesign is required to adjoining and/or related Work shown on the Plans and referred to in the Specifications as \_\_\_\_\_.

Work Description	Labor Hours	Hourly Rate	Total Cost
1.		\$	\$
2.		\$	\$
3.		\$	\$
4.		\$	\$
<b>TOTAL AUTHORIZED AMOUNT.....\$</b>			

**APPROVED:**

Rainbow Municipal Water District, GM

Contractor

Date

**END OF SECTION 00700**

## **SECTION 00700A**

### **REFERENCED PROVISIONS OF SECTION 8-1.14 OF CALTRANS' STANDARD** **SPECIFICATIONS ISSUED 2015** **(as referenced in General Conditions Section 21.4)**

#### **8-1.14 CONTRACT TERMINATION**

##### **8-1.14E Payment Adjustment for Termination**

If the Department issues a termination notice, RMWD determines payment for termination based on the following:

1. Direct cost for the work:
  - 1.1. Including:
    - 1.1.1. Mobilization.
    - 1.1.2. Demobilization.
    - 1.1.3. Securing the job site for termination.
    - 1.1.4. Losses from the sale of materials.
  - 1.2. Not including:
    - 1.2.1. Cost of materials you keep.
    - 1.2.2. Profit realized from the sale of materials.
    - 1.2.3. Cost of material damaged by:
      - 1.2.3.1. Act of God.
      - 1.2.3.2. Act of a public enemy.
      - 1.2.3.3. Fire.
      - 1.2.3.4. Flood.
      - 1.2.3.5. Governor-declared state of emergency.
      - 1.2.3.6. Landslide.
      - 1.2.3.7. Tsunami.
    - 1.2.4. Other credits.
2. Cost of remedial work, as estimated by the Engineer, is not reimbursed.
3. Allowance for profit not to exceed 4 percent of the cost of the work. Prove a likelihood of having made a profit had the Contract not been terminated.
4. Material handling costs for material returned to the vendor or disposed of as ordered.
5. Costs in determining the payment adjustment due to the termination, excluding attorney fees and litigation costs.

Termination of the Contract does not relieve the surety of its obligation for any just claims arising out of the work performed.

**END OF SECTION 00700A**

## **SECTION 00800**

### **SUPPLEMENTARY CONDITIONS**

#### **MODIFICATION OF THE GENERAL CONDITIONS**

- A. General. These Supplementary Conditions form a part of and modify the preceding General Conditions. Provisions and requirements of the General Conditions not so modified shall remain in full force and effect.
- B. District Standards. All Work conducted under this Contract shall be constructed in strict accordance with RMWD's standard plans and specifications. A copy of the standard plans and specifications are available to the Contractor at RMWD, located at 3707 Old Highway 395, Fallbrook, California, 92028 or through an electronic request.

Failure of RMWD to provide a copy of the standard plans and specifications with the Contract Documents does not relieve the Contractor of his responsibility to conduct the Work in accordance with the standards, or his responsibility to obtain a copy of the standard plans and specifications from RMWD. The Contractor is hereby made aware of the existence of said standard plans and specifications, and as such, shall be bound by their contents and provisions.

In the event of a conflict between these Specifications and RMWD's standard plans and specifications, RMWD standards shall be followed. Conflict between the standards and these Specifications shall be identified by the Contractor to RMWD prior to conduct of the Work, and the Work shall not proceed without written clarification of the Work by the RMWD. Conduct of the Work by the Contractor without written clarification shall be at the risk of the Contractor, and no additional compensation will be allowed, in any form, for correction of conflicted Work performed by the Contractor without the written clarification of RMWD.

- C. Modifications. The Articles, paragraphs, and subparagraphs mentioned are those of the General Conditions (Section 00700).
1. Paragraph 1.13 – Engineering Manager. Revise from Engineering Manager to District Engineer.
  2. Paragraph 1.16 – Engineer. Under these Contract Documents, the Engineer is designated as Steve Strapac, District Engineer, acting through its authorized representative.
  3. Paragraph 1.18 – Inspector. Revise Engineering Manager to District Engineer.
  4. Paragraph 1.23 – Owner. Include Owner to include reference as RMWD.

5. Paragraph 1.32 – Project Manager. Add section Project Manager - The Project Manager is the authorized agent of RMWD acting as the designee of the District Engineer, limited in each case to the duties entrusted to him/her by RMWD.
6. Paragraph 2.5 – Copies of Documents. Remove paragraph and replace with, RMWD will furnish to the Contractor electronic copies of the Specifications and Drawings as are reasonably necessary for the execution of the Work. Upon request, hard copies will be furnished at the cost of reproduction and handling as determined at the sole discretion of RMWD.
7. Paragraph 2.7 – Schedule of Values. Add the following: RMWD will have the sole discretion to approve the schedule of values submitted, and holds the right to request revisions as needed in order to finalize the schedule of values.
8. Paragraph 3.4 – Reference or Standard Specifications. Add the following: The Contractor shall adhere to whichever is most stringent.
9. Paragraph 4.4 – Delays and Liquidated Damages. Add the following: \$1,000.00 (one thousand dollars and no cents).
10. Paragraph 5.2 and 5.4.1 – Surveys. Remove “Property and boundary surveys will be established by RMWD and the Contractor shall furnish to RMWD such assistance and materials as RMWD may require”. Add the following: Contractor shall provide all surveying necessary for completion of Work per Section 01050.
11. Paragraph 5.4.2 – Lines and Grades, Setting Stakes. Add the following: The Contractor shall assume responsibility for protecting all survey monuments and staking. The cost of protecting survey stakes and the cost of replacing such staking shall be the responsibility of the Contractor and no additional pay shall be included or made for such work.
12. Paragraph 6.9 – Subcontractors. Remove paragraph and replace with, Contractor shall require and verify that all subcontractors maintain insurance and valid contractor licenses meeting all of the requirements stated herein unless otherwise agreed to in writing by RMWD prior to commencement of work by such subcontractor.
13. Paragraph 7.2 – Superintendent. Add the following: RMWD has the right to request resume of the Superintendent and approve the Superintendent at their discretion and/or request a substitution of personnel.
14. Paragraph 8.6 – Verification of Installed Work. Add the following: RMWD has the right to reject any work that does not conform to the contract documents.
15. Paragraph 8.10.1 - Water Supply. Add the following: Contractor is responsible for securing and paying District for construction water supply and meter.
16. Paragraph 9.4 – Substitutions and Equals. Add the following: Contractor shall provide a side by side comparison of requested substitution. Substitutions and equals shall not be allowed unless there is suitable reason for substitution, i.e. product is no longer available.

17. Paragraph 12.1.3 – Method of Submittal. Add the following: Submittals shall be submitted in electronic format.
18. Paragraph 12.1.5 – Corrections and Resubmittals. Remove the last sentence and replace with the following: Identify each resubmittal with number of the original submittal followed by consecutive numbers starting with "1" for first resubmittal, "1R1" for second resubmittal, etc.
19. Paragraph 12.2 Shop Drawings. Remove paragraph and replace with the following: Each submittal shall be complete with respect to dimensions, design criteria, materials, connections, bases, foundations, anchors, and the like, and shall be accompanied by technical and performance data as necessary to fully illustrate the information in the shop drawings. Unless otherwise specified, each submittal shall be submitted electronically and returned in same format.
20. Paragraph 12.5 – Material Lists. Remove paragraph and replace with the following: Submittal copies shall be labeled covers complying with subparagraph 12.7.2, and shall have an index listing the contents. Unlabeled submittals will be returned unreviewed. For each item listed, the Contractor shall include the manufacturer's name and address, trade or brand name, local supplier's name and address, catalog numbers and cuts, brochures, terms and conditions of manufacturer's guarantee and warranty, other information to fully describe the item, and supplementary information as may be required for approval. Cuts, brochures, and data shall be marked to indicate the items proposed and the intended use. Unless otherwise specified, each submittal shall be submitted electronically and returned in same format.
21. Paragraph 12.6 – Equipment Data. Remove paragraph and replace with the following: The Contractor shall submit complete technical and catalog data for every item of mechanical and electrical equipment and machinery to be incorporated in the Work, including components. Submittal copies shall be bound, indexed, and contain information as required in Paragraph 12.5 for submittal of materials lists and shall further include specific information on performance and operating curves and data, ratings, capacities, characteristics, efficiencies, and other data to fully illustrate and describe the items as may be specified or required for approval. Data shall be submitted in sets covering complete systems or functioning units. Unless otherwise specified, each submittal shall be submitted electronically and returned in same format.
22. Paragraph 12.7.2.e. – Format and Organization. Remove paragraph and replace with the following: In addition, an overall Index of Contents shall be prepared in electronic format and submitted separately to RMWD as an Operation and Maintenance Manual.
23. 12.7.3 – Manual Binding a-d. Remove section and replace with the following: Manual Binding.
  - a. Each manual shall be submitted in electronic format.
  - b. Face of cover should read "MANUFACTURERS' INSTRUCTION MANUAL," and indicate Class of Equipment, i.e., Mechanical, Electrical, Instrumentation, etc. or name specific equipment if a single unit is contained.

- c. If more than one Class of Equipment is contained in a book, separate each class with a colored insert page.
  - d. Submit sample of each intended type of binder and obtain approval from RMWD.
- 24. Paragraph 12.7.4 – Manual Submittals. Remove and replace paragraph with the following: Manual Submittals. Unless otherwise specified, each submittal shall be submitted electronically and returned in same format.
- 25. Paragraph 13.3 - Safety Measures. Add the following: Contractor shall submit their injury illness pollution prevention plan to the contractor. In addition, Superintendent must have OSHA 10 training, and shall submit the required document to the District for file.
- 26. Paragraph 13.4 – Warnings and Barricades. Add the following: Trench plates shall also be place over open trenches at the end of each working day.
- 27. Paragraph 16.2 – Valuation of Change Orders. Add the following: Where there is an allowance allocated no overhead or profit shall be allowed to be allocated. If the allowance is not to use used, the full amount to be credit back to RMWD.
- 28. Paragraph 16.8 – Change Order Procedure. Remove section and replace with:
  - 16.8.1 The Contractor or RMIWD identifies the need for a change in plans.
  - 16.8.2 The initiator of the Change Order discusses the required change with RWMD and Contractor.
  - 16.8.3 RMWD prepares a detailed description of the Work required, including any additional drawings, and prepares a change order in the required format.
  - 16.8.4 The change order is provided to the Contractor for his review and negotiation of the price for the change.
  - 16.8.5 RMWD and Contractor agree on the Work to be performed and price for doing the Work. Each signs the change order, indicating that both agree as to the terms of performing the required change.
  - 16.8.7 RMWD submits the Change Order to the RMWD General Manager for approval and signature if the change order involves a change in a price that is within the General Manager’s approval authority. If the change order involves a change in price that is greater than the General Manager’s approval authority, it will be submitted to the Board of Directors for approval. If the Board of Directors approves, the General Manager signs the change order, authorizing the change to be implemented.
- 29. Paragraph 16.9 -Field Order Procedure. Remove section and replace with:
  - 16.9.1 RMWD identifies the need for a field order change
  - 16.9.2 RMWD discusses the required change with Contractor.
  - 16.9.3 RMWD prepares a detailed written description of the minor changes or

alterations in the work.

16.9.4 The Contractor reviews field order.

16.9.5 RMWD and Contractor agree on field order work to be performed. Each signs the field order, indicating that both agree as to the terms of performing the required changes.

16.9.6 RMWD General Manager signs the field order authorizing the change to be implemented.

30. Paragraph 17.3.1 – Contractor's Testing Agency. Remove and replace the last sentence with: The Contractor shall deliver five (5) certified copies of each test report in addition to an electronic copy to RMWD unless otherwise specified.

31. Paragraph 17.4 – Operational Tests. Add the following: This includes performing a camera video of the newly installed line.

32. Paragraph 17.7 – Soil Compaction Testing- Add the following: Contractor shall provide all report to RMWD.

33. Paragraph 18.1 Correction of Defective Work – Replace second sentence with the following: . If the Work or any part thereof is found to be defective, whether or not manufactured, fabricated, installed, completed, or overlooked and accepted by RMWD, the Contractor shall, promptly and in accordance with the written instructions of RMWD and within the 72 (seventy-two) hours limits stated therein, either correct such defective Work or, if it has been rejected by RMWD, remove it from the site and replace it with non-defective and conforming Work.

34. Paragraph 20.4.4-4a-e – Progress Photographs- Remove this section and replace with the following:

4. Progress Photographs - A commercial photographer will not be required for the Work under this Contract. However, copies of any photographs taken during this project shall be submitted to RMWD for the permanent record. The Contractor shall submit all photographs in RAW, TIFF or JPG digital format.

a. General - Provide photographs of the site and construction throughout the progress of Work, acceptable to RMWD. Photographs shall be taken on the cutoff date for each application for payment and at the beginning and completion of each of the following elements of Work:

1. Prior to Work
2. Final Completion

- b. Photographs. Digital photographs in RAW, TIFF or JPG format will be required.
  - c. Technique. Provide factual presentation. In each photograph include an object of known size to determine size of object being photographed. Provide correct exposure and focus, high resolution and sharpness, maximum depth of field and minimum distortion. Any photograph which is not clear and distinct, double exposed, over exposed, etc. shall be retaken.
  - d. Views. Provide photographs from two (2) views at each element of Work. RMWD will select the various viewpoints for photography.
  - e. Submittals. Contractor shall deliver electronic prints with each application for (See Paragraph 20.4.4.4)
35. Paragraph 23.2 Written Notice – Remove and replace the first sentence with the following: Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm or to an officer of the corporation for whom it was intended on the date of delivery, or if delivered at or sent by registered or certified mail to the last business address known to him who gives the notice on the third business day after it is deposited in the mail, or if delivered to the Project Superintendent on the date of delivery in person or through email.
36. Paragraph 20.9 – Approval of Final Payment. Add the following: The application will be returned if the items in Paragraph 20.8 are not submitted with the final application for payment. The Contractor may make application for final payment upon obtaining unconditional releases of claims from each sub-contractor or supplier for each preliminary notice submitted to RMWD. After the work is complete and RMWD receives unconditional releases from all subcontractors and suppliers, RMWD will file a Notice of Completion with the County Recorder. After thirty-five (35) calendar days have elapsed following recording of such notice, final payment will be made to the Contractor.

**END OF SECTION 00800**

**SECTION 00800CA**

**CALIFORNIA STATE REQUIREMENTS**

**CALIFORNIA STATE REQUIREMENTS**

**A. State Wage Determinations:**

1. As required by Sections 1770 *et seq.* of the California Labor Code, the Contractor shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations ("DIR"). RMWD has obtained from the Director of the DIR the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which the Public Work is to be performed for each craft, classification or type of workman needed to execute this Contract. Copies of the wage determination are on file and may be obtained by interested parties at the office of RMWD or may be obtained from the State of California, Division of Labor Statistics and Research at (415) 557-0561. The Contractor shall post a copy of such determination at each job site.
2. The Contractor and all Subcontractors shall comply with all applicable requirements and provisions of the Labor Code, including Sections 1775 and 1776. The Contractor shall forfeit, as a penalty to RMWD, two-hundred dollars (\$200.00), for each calendar day, or portion thereof, for each workman paid less than stipulated prevailing rates for Work done under the Contract Agreement by him, or any Subcontractor under him, in violation of the provisions of the California Labor Code. Copies of these wage determinations shall be posted and maintained at the job site by the successful bidding Contractor.
3. The Contractor shall not perform the Work with a subcontractor who is ineligible to perform work on a public works project in accordance with the requirements of Sections 1777.1 and 1777.7 of the California Labor Code.

**B. Workers' Compensation:**

1. In accordance with the provisions of Section 3700 of the California Labor Code, the Contractor shall secure the payment of compensation to his employees.
2. Prior to beginning work under the Contract, the Contractor shall sign and file with RMWD the following certification:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work of this Contract."
3. Notwithstanding the foregoing provisions, before the Contract is executed on behalf of RMWD, a bidder to whom a Contract has been awarded shall furnish satisfactory

evidence that it has secured in the manner required and provided by law the payment of workers' compensation.

**C. Apprentices on Public Works Contracts:**

1. The Contractor shall confirm to all the requirements of Sections 1777.5 and 1777.6 of the California Labor Code concerning the employment of apprentices by the Contractor or any Subcontractor under him. The Contractor shall provide RMWD with a copy of the contract award information at the time that information is submitted to the applicable apprenticeship program. Within sixty (60) days after concluding the work pursuant to this Contract, the Contractor shall submit, and require each Subcontractor under him to submit, to RMWD and the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the Contract.
2. Section 1777.5 requires that every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.
3. Only apprentices, as defined in section 3077 of the Labor Code, who are in training under the apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:
  - a. The apprenticeship standards and apprentice agreements under which he or she is training.
  - b. The rules and regulations of the California Apprenticeship Council.
4. When the Contractor, or any subcontractor under him, employs workers in any apprenticeable craft or trade to perform Work, the Contractor and subcontractor shall employ apprentices in at least the ratio set forth in Labor Code section 1777.5 and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the Contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected.
5. Prior to commencing Work on the Contract, the Contractor and/or subcontractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the Work. The information submitted shall include an estimate of the journeyman hours to be performed under the Contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the Owner.

6. Within 60 days after concluding Work on the Contract, the Contractor and any subcontractors shall submit to the Owner, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the Contract. The information submitted pursuant to this section GC 7-2 shall be public.
7. If the Contractor, in performing any of the Work under the Contract, employs journeymen or apprentices in any apprenticeable craft or trade, then the Contractor shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the site of the Work. The Contractor may take as a credit for payments to the council any amounts paid by Contractor to an approved apprenticeship program that can supply apprentices to the Site of the Work. The Contractor may add the amount of the contributions in computing his or her Bid for the Contract.
8. Contractor and any subcontractor under him shall comply with the requirements of Sections 1777.5 and 1777.6 in the employment of apprentices. The Contractor has the responsibility of compliance with these requirements for all apprenticeable occupations.
9. Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

**D. Working Hours:** The Contractor shall comply with all applicable provisions of Section 1810 to 1815, inclusive, of the California Labor Code relating to working hours. Eight hours labor constitutes a legal day's work in all cases where the same is performed under the authority of any law of this State, or under the direction, or control or by the authority of any municipal corporation, or of any officer thereof. The time of service of any laborer, workman, or mechanic employed on the Work shall be limited and restricted to eight (8) hours during any one (1) calendar day and forty (40) hours in any one (1) calendar week, except as otherwise provided in said sections. The Contractor shall forfeit to RMWD as a penalty, twenty-five dollars (\$25.00) for each laborer, worker, or mechanic employed in the execution of the Work by him or any Subcontractor under him for each calendar day during which such laborer, worker, or mechanic is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of provisions of the California Labor Code, unless such worker receives compensation for all hours worked in excess of eight (8) hours per day, at not less than 1-1/2 times the basic rate of pay.

**E. Contractor Not Responsible For Damage Resulting From Certain Acts of God:** As provided in Section 7105 of the California Public Contract Code, the Contractor shall not be responsible for the cost of repairing or restoring damage to the Work which damage is determined to have been proximately caused by an Act of God, in excess to five percent (5%) to the contracted amount, provided, that the Work damaged was built in accordance with accepted and applicable building standards and the plans and specifications of RMWD. The Contractor shall obtain insurance to indemnify RMWD for any damage to the Work caused by an Act of God if the insurance premium is a separate bid item in the

bidding schedule for the Work. For purposes of this Section, the term "Acts of God" shall include only the following occurrences or conditions and effects: earthquakes in excess of a magnitude of 3.5 on the Richter Scale and tidal waves.

- F. Notice of Completion:** In accordance with the Sections 8182 of the California Civil Code, within fifteen (15) days after date of acceptance of the Work and after Owner receives an unconditional waiver and release form from all subcontractors and suppliers, RMWD will file, in the County Recorder's office, a Notice of Completion of the Work.
- G. Unpaid Claims:** If at any time prior to the expiration of the period of service of a stop notice, there is served upon RMWD a stop notice as provided in Section 3179 and 3210 of the California Civil Code, RMWD shall, until the discharge thereof, withhold from the monies under its control so much of said monies due or to become due to the Contractor under this Contract as shall be sufficient to answer the claim stated until such stop notice and to provide for the reasonable cost of any litigation thereunder provided that if RMWD shall, in its discretion, permit Contractor to file with RMWD the bond referred to in Section 3196 of the Civil Code of the State of California, said monies shall not thereafter be withheld on account of such stop notice.
- H. Concrete Forms, Falsework, and Shoring:** This Contractor shall comply fully with the requirements of Section 1717 of the Construction Safety Orders, State of California, Department of Industrial Relations, regarding the design of concrete forms, falsework and shoring, and the inspection of same prior to placement of concrete. Where the said Section 1717 requires the services of a civil engineer registered in the State of California to approve design calculations and working drawings of the falsework or shoring system, or to inspect such system prior to placement of concrete, the Contractor shall employ a registered civil engineer for these purposes, and all costs therefore shall be included in the price named in the Contract for completion of the Work as set forth in the Contract Documents.
- I. Retainage from Monthly Payments:** Pursuant to Section 22300 of the California Public Contract Code, the Contractor may substitute securities for any money withheld by RMWD to insure performance under the Contract. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with RMWD or with a state or federally chartered bank in California as the escrow agent, who shall return such securities to the Contractor upon satisfactory completion of the Contract. Alternatively, the Contractor may request and RMWD shall make payment of retentions earned directly to the escrow agent at the expense of the Contractor. At the expense of the Contractor, the Contractor may direct the investment of the payments into securities and the Contractor shall receive the interest earned on the investments upon the same terms provided for in Section 22300 for securities deposited by the Contractor. Upon satisfactory completion of the Contract, the Contractor shall receive from the escrow agent all securities, interest, and payments received by the escrow agent from RMWD, pursuant to the terms of Section 22300. Securities eligible for investment under Section 22300 shall include those listed in Section 16430 of the Government Code, bank or savings and loan certificates of deposit, interest-bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to the Contractor and RMWD. The Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall receive any interest thereon. If the Contractor elects to receive interest on moneys withheld in retention by RMWD, the Contractor shall, at the request of any Subcontractor performing more than five percent (5%) of the Contractor's total bid, make that option available to the

Subcontractor regarding any moneys withheld in retention by the Contractor from the Subcontractor. If the Contractor elects to receive interest on any moneys withheld in retention by RMWD, then a Subcontractor performing more than five percent (5%) of the Contractor's total bid shall receive the identical rate of interest received by the Contractor on any retention moneys withheld from the Subcontractor by the Contractor, less any actual pro rata costs associated with administering and calculating that interest. In the event that the interest is a fluctuating rate, the rate for the Subcontractor shall be determined by calculating the interest rate paid during the time that retentions were withheld from the Subcontractor. If the Contractor elects to substitute securities in lieu of retention, then, by mutual consent of the Contractor and the Subcontractor, the Subcontractor may substitute securities in exchange for the release of moneys held in retention by the Contractor. The mandatory escrow agreement is included in these Contract Documents at Section 00630. RMWD will not certify that the Contract has been satisfactorily completed until at least 30 days after filing by RMWD of a Notice of Completion.

**J. Public Works Contractors; Assignment to Awarding Body:** In accordance with Section 7103.5 of the California Public Contract Code, the Contractor and Subcontractors shall conform to the following requirements. In entering into a public works Contract or a subcontract to supply goods, services, or materials pursuant to a public works Contract, the Contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works Contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the Contractor, without further acknowledgment by the parties.

**K. Payroll Records; Retention; Inspection; Noncompliance Penalties; Rules and Regulations:**

1. In accordance with Section 1776 of the California Labor Code, the Contractor and each Subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each, journeyman, apprentice, worker, or other employee employed by him or her in connection with the work pursuant to the Contract. The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. In accordance with Section 1771.4 of the California Labor Code, each Contractor and Subcontractor shall furnish payroll records directly to the Labor Commission at least monthly and in a format prescribed by the Labor Commissioner. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a) of Section 1776 of the Labor Code. Each payroll record shall contain or be verified by a written declaration that is made under penalty of perjury, stating both of the following: (1) the information contained in the payroll record is true and correct and (2) the employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.

2. The payroll records enumerated under Paragraph K.1 shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:
  - a. A certified copy of all employees' payroll records shall be made available for inspection or furnished to the employee or his or her authorized representative on request, and will accompany each progress payment to Owner.
  - b. A certified copy of all payroll records enumerated in Paragraph K.1 shall be made available for inspection or furnished upon request to a representative of RMWD, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations in compliance with Section 1776 of the California Labor Code and other relevant state law.
  - c. A certified copy of all payroll records enumerated in Paragraph K.1 shall be made available upon request by the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either the body awarding the Contract, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to Paragraph K.1(b) the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the Contractor, Subcontractors, and the entity through which the request was made. The public shall not be given access to the records at the principal office of the Contractor.
3. The Contractor and Subcontractors shall file a certified copy of the records, enumerated in Paragraph K.1 with the entity that requested the records within ten (10) work days after receipt of a written request.
4. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by RMWD, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor awarded the Contract or the Subcontractor performing the Contract shall not be marked or obliterated.
5. The Contractor shall inform RMWD of the location of the records enumerated under Paragraph K.1 including the street address, city and county, and shall, within five (5) working days, provide a notice of change of location and address.
6. The Contractor or Subcontractor shall have ten (10) work days in which to comply subsequent to receipt of written notice requesting the records enumerated under Paragraph K.1. In the event that the Contractor or Subcontractor fails to comply within the 10-workday period, he or she shall, as a penalty to RMWD, forfeit one-hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. The Contractor shall

not be subject to a penalty assessment pursuant to this Paragraph K.6 due to the failure of a Subcontractor to comply with this Section K.

7. Contractor shall cause an identical clause to be included in every subcontract for work pursuant to this Contract.

**L. Protection of Workers in Trench Excavations:** As required by Section 6705 of the California Labor Code and in addition thereto, whenever work under the Contract that is over twenty-five thousand dollars (\$25,000) involves the excavation of any trench or trenches five (5) feet or more in depth, the Contractor shall submit for acceptance by RMWD or by a registered civil or structural engineer, employed by RMWD, to whom authority to accept has been delegated, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during excavation, of such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of Occupational Safety and Health, the plan shall be prepared by a registered civil or structural engineer employed by the Contractor, and all costs therefore shall be included in the price named in the Contract for completion of the Work as set forth in the Contract Documents. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on RMWD, the Engineer, or any of their directors, officers, agents, representatives, or employees. The California Construction Safety Orders in effect during the Work shall apply continuously until final acceptance of the Work.

**M. Removal, Relocation, or Protection of Existing Utilities:**

1. In accordance with the provisions of Section 4215 of the California Government Code, any Contract to which a public agency as defined in Section 4401 is a party, the public agency shall assume the responsibility, between the parties to the Contract, for the timely removal, relocation, or protection of existing main or trunk line utility facilities located on the site of any construction project that is a subject of the Contract, if such utilities are not identified by the public agency in the plans and specifications made a part of the invitation for bids. The agency will compensate Contractor for the costs of locating, repairing damage not due to the failure of the Contractor to exercise reasonable care, and removing or relocating such utility facilities not indicated in the plans and specifications with reasonable accuracy and for equipment on the project necessarily idled during such work.
2. The Contractor shall not be assessed liquidated damages for delay in completion of the project, when such delay was caused by the failure of the public agency or the owner of the utility to provide for removal or relocation of such utility facilities.
3. Nothing herein shall be deemed to require the public agency to indicate the presence of existing service laterals or appurtenances when the presence of such utilities on the site of the construction project can be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of construction; provided, however, nothing herein shall relieve the public agency from identifying main or trunk lines in the plans and specifications.

4. If the Contractor while performing the Contract discovers utility facilities not identified by the public agency in the Contract plans and specifications, it shall immediately notify the public agency and utility in writing.
5. The public utility, where they are the owner, shall have the sole discretion to perform such repair or relocation work or permit the Contractor to do such repair or relocation work at a reasonable price.

**N. Contractor License Requirements:** In accordance with Section 7028.15 of the California Business and Professions Code, a licensed Contractor shall not submit a bid to a public agency unless his or her Contractor's license number and expiration date appears clearly on the bid. Any bid not containing this information, or a bid containing information which is subsequently proven false, shall be considered non-responsive and shall be rejected by the public agency.

**O. Resolution of Construction Claims:**

1. See Paragraph W, Public Contract Code section 9204.
2. To the extent a claim is not resolved pursuant to paragraph O.1, in accordance with Section 20104 *et seq.* of the California Public Contract Code, paragraphs O.2 – 0.4 apply to all claims of \$375,000 or less which arise between the Contractor and RMWD under this Contract for
  - a. A time extension;
  - b. Payment of money or damages arising from work done by or on behalf of the Contractor pursuant to this Contract and payment of which is not otherwise expressly provided for as the Contractor is not otherwise entitled; or
  - c. An amount the payment of which is disputed by RMWD.
3. For any claim set out in Paragraph O2.a, b. or c. above the following requirements apply:
  - a. The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment. Nothing herein is intended to extend the time limit or supersede notice requirements otherwise provide by Contract for the filing of claims.
  - b. For claims of less than fifty thousand dollars (\$50,000), RMWD shall respond in writing to any written claim within forty-five (45) calendar days of receipt of the claim, or may request, in writing, within thirty (30) calendar days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims RMWD may have against the Contractor.

If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of RMWD and the Contractor.

RMWD's written response to the claim, as further documented, shall be submitted to the Contractor within fifteen (15) calendar days after receipt of further documentation or within a period of time no greater than that taken by the Contractor in producing the additional information, whichever is greater.

- c. For claims over fifty thousand dollars (\$50,000) and less than or equal to three hundred seventy-five thousand dollars (\$375,000), RMWD shall respond in writing to all written claims within sixty (60) calendar days of receipt of the claim or may request, in writing, within thirty (30) calendar days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims RMWD may have against the Contractor.

If additional information is therefore required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of RMWD and the Contractor.

RMWD's written response to the claim, as further documented, shall be submitted to Contractor within thirty (30) calendar days after receipt of the further documentation, or within a period of time no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.

- d. If the Contractor disputes RMWD's written response, or RMWD fails to respond within the time prescribed, the Contractor may notify RMWD, in writing, either within fifteen (15) calendar days of receipt of RMWD's response or within fifteen (15) calendar days of RMWD's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon a demand, RMWD shall schedule a meet and confer conference within thirty (30) calendar days for settlement of the dispute.
  - e. If the following meet and confer the claim or any portion remains in dispute, the Contractor may file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time Contractor submits its written claim pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference.
4. The following procedures are established for all civil actions filed to resolve claims subject to this article:
- a. Within sixty (60) calendar days, but no earlier than thirty (30) calendar days, following the filing or responsive pleadings, the court shall submit the matter to nonbinding mediation unless waived by mutual stipulation of both parties. The mediation process shall provide for the selection within fifteen (15) calendar days by both parties of a disinterested third person as mediator, shall be commenced within thirty (30) calendar days of the submittal, and shall be concluded within fifteen (15) calendar days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court. If the

parties fail to select a mediator within the fifteen (15) calendar day period, any party may petition the court to appoint the mediator.

- b. If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act (Title 4 (commencing with Section 2016.101) or Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

Upon stipulation of the parties, arbitrators appointed for purposes of this Paragraph O.4 shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.

In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who after receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other party arising out of the trial de novo.

5. RMWD shall not fail to pay money to any portion of a claim which is undisputed except as otherwise provided in this Contract.
6. In any suit filed under Section 20104.4 of the California Public Contract Code RMWD shall pay interest at the legal rate on any arbitration award or judgment. The interest shall begin to accrue on the date the suit is filed in a court of law.

**P. Digging trenches or excavations; notice on discovery of hazardous waste or other unusual conditions; investigations; change orders; effect on Contract.** Pursuant Section 7104 of the California Public Contract Code, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, the following shall apply:

The Contractor shall promptly, and before the following conditions are disturbed, notify RMWD in writing, of any:

1. Material that the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.
2. Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids.

3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.
4. RMWD shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order under the procedures described in the Contract.
5. In the event that a dispute arises between RMWD and the Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of the work, the Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all Work to be performed under the Contract. The Contractor shall retain any and all rights provided either by Contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

**Q. Retention Proceeds; Withholding; Disbursement.** In accordance with Section 7107 of the Public Contracts Code with respect to all Contracts entered into on or after January 1, 1993 relating to the construction of any public work of improvement the following shall apply:

1. The retention proceeds withheld from any payment by RMWD from the original Contractor, or by the original Contractor from any subcontractor, shall be subject to this paragraph Q.
2. The retention will be paid 60 calendar days after the date when Notice of Completion was filed with the County Recorder's Office. In the event of a dispute between RMWD and the original Contractor, RMWD may withhold from the final payment an amount not to exceed one hundred and fifty percent (150%) of the disputed amount. For the purposes of this paragraph, "completion" means any of the following:
  - a. The occupation, beneficial use, and enjoyment of a work of improvement, excluding any operation only for testing, startup, or commissioning, by RMWD, accompanied by cessation of labor on the work of improvements.
  - b. The acceptance by RMWD of the work of improvement.
  - c. After the commencement of a work of improvement, a cessation of labor on the work of improvement for a continuous period of 100 calendar days or more, due to factors beyond the control of the Contractor.
  - d. After the commencement of a work of improvement, a cessation of labor on the work of improvement for a continuous period of 30 calendar days or more, if RMWD files for record a notice of cessation or a notice of completion.
3. Subject to subparagraph 4, within seven (7) days from the time that all or any portion of the retention proceeds are received by the original Contractor, the original Contractor shall pay each of its subcontractors from whom retention has been

withheld, each Subcontractor's share of the retention received. However, if a retention payment received by the original Contractor is specifically designated for a particular Subcontractor, payment of the retention shall be made to the designated Subcontractor, if the payment is consistent with the terms of the subcontract.

4. The original Contractor may withhold from a Subcontractor its portion of the retention proceeds if a bona fide dispute exists between the Subcontractor and the original Contractor. The amount withheld from the retention payment shall not exceed one hundred and fifty percent (150%) of the estimated value of the disputed amount.
5. In the event that retention payments are not made within the time periods required by this paragraph Q, RMWD or original Contractor shall be subject to a charge of two percent (2%) per month on the improperly withheld amount, in lieu of any interest otherwise due. Additionally, in any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to attorney's fees and costs.
6. Any attempted waiver of the provisions of this section shall be void as against the public policy of this state.

**R. Subcontractors.**

1. In compliance with the California Public Contract Code Section 4100 *et seq.*, each bidder shall state in his bid the name and business address of each subcontractor who will perform work or a labor or render services to the Contractor in or about the construction of the Work in an amount in excess of one-half of one percent (0.5%) of the total bid amount, and the portion of the Work which will be done by each subcontractor.
2. Each portion of the Work shall be performed by an organization equipped and experienced to do the Work in the particular field, and no portion of the Work shall be reserved by the bidder or Contractor to himself unless he is so equipped and experienced.
3. Not more than one (1) subcontractor shall be listed for the same portion of the Work.
4. If a particular portion of the Work would be modified by an alternative bid or work in a bid item required by the bid, the bidder shall separately identify such portions of the Work, and list the subcontractors appropriately where they differ from those listed for the basic Work.
5. The substitution of Subcontractors shall comply with California Public Contract Code Sections 4107 and 4107.5. Prior to RMWD approving Contractor's request for substitution, RMWD shall give written notice to the listed Subcontractor of the Contractor's request and the reasons for the request. The listed Subcontractor will have five (5) days to submit written objections. Failure of the listed Subcontractor to submit written objections constitutes the listed Subcontractor's consent to the substitution. Requirements of General Conditions, Paragraph 2.11 and 10.2 shall also govern except where differing, in which instances the requirement of this Paragraph shall govern.

**S. Notification of Third-Party Claim.**

1. RMWD shall notify the Contractor of the receipt of any third-party claim relating to the Contract within ten (10) work days of RMWD's receipt of such claim.
2. RMWD shall be entitled to recover its reasonable costs in providing the notification pursuant to this Paragraph S.

**T. State Audit.** The Contract shall be subject to the examination and audit of the State Auditor, at the request of RMWD or as part of any audit of RMWD, for a period of three (3) years after final payment under the Contract. The contracting parties shall be subject to that examination and audit.

**U. Information Pursuant to California Labor Code Section 2810.**

1. The name, address, and telephone number of RMWD is:

Rainbow Municipal Water District  
3707 Old Highway 395  
Fallbrook, California 92028  
(760) 728-1178

2. The name, address, and telephone number of the Contractor is:

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3. A description of the labor or services to be provided is stated in the Contract Documents, including but not limited to Section 01010, Summary of the Work.
4. The Contract Time is stated in the Contract Documents, including but not limited to Section 00500, Contract Agreement.
5. The Contractor's employer identification number for state tax purposes is \_\_\_\_\_.
6. The workers' compensation insurance policy and the name, address, and telephone number of the insurance carrier of the Contractor is:

Workers' Compensation Insurance Policy Number: \_\_\_\_\_

Insurance Carrier Name: \_\_\_\_\_

Insurance Carrier Address: \_\_\_\_\_

\_\_\_\_\_

Insurance Carrier Telephone Number: \_\_\_\_\_

7. The vehicle identification ("VIN") for any vehicle that is owned by the Contractor and used for transportation in connection with any service provided pursuant to this Contract, the number of the vehicle liability insurance policy that covers the vehicle, and the name, address, and telephone number of the insurance carrier are as follows:

VIN: \_\_\_\_\_

Vehicle Liability Insurance Policy Number: \_\_\_\_\_

Insurance Carrier Name: \_\_\_\_\_

Insurance Carrier Address: \_\_\_\_\_

Insurance Carrier Telephone Number: \_\_\_\_\_

VIN: \_\_\_\_\_

Vehicle Liability Insurance Policy Number: \_\_\_\_\_

Insurance Carrier Name: \_\_\_\_\_

Insurance Carrier Address: \_\_\_\_\_

Insurance Carrier Telephone Number: \_\_\_\_\_

VIN: \_\_\_\_\_

Vehicle Liability Insurance Policy Number: \_\_\_\_\_

Insurance Carrier Name: \_\_\_\_\_

Insurance Carrier Address: \_\_\_\_\_

Insurance Carrier Telephone Number: \_\_\_\_\_

VIN: \_\_\_\_\_

Vehicle Liability Insurance Policy Number: \_\_\_\_\_

Insurance Carrier Name: \_\_\_\_\_

Insurance Carrier Address: \_\_\_\_\_

Insurance Carrier Telephone Number: \_\_\_\_\_

VIN: \_\_\_\_\_

Vehicle Liability Insurance Policy Number: \_\_\_\_\_

Insurance Carrier Name: \_\_\_\_\_

Insurance Carrier Address: \_\_\_\_\_

Insurance Carrier Telephone Number: \_\_\_\_\_

8. The address of any real property to be used by the Contractor to house workers in connection with the Contract is: \_\_\_\_\_.
9. The total number of workers to be employed by the Contractor to perform labor or services under this Contract is \_\_\_\_\_.
  - a. If the information pursuant to paragraph 9, above, is unknown, the Contractor shall provide the best estimate available at the time.
  - b. If a best estimate is provided, the Contractor shall have a continuing duty to ascertain the actual figures and provide RMWD with written notice of those actual figures once that information becomes known.
10. The total amount of all wages to be paid, and the date or dates when those wages are to be paid are:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - a. If the information pursuant to paragraph 10, above, is unknown, the Contractor shall provide the best estimate available at the time.
  - b. If a best estimate is provided, the Contractor shall have a continuing duty to ascertain the actual figures and provide RMWD with written notice of those actual figures once that information becomes known.
11. The total compensation for all services which the Contractor is obligated to perform under the terms and conditions of this Contract is \_\_\_\_\_.
12. The total number of persons who will be utilized by the Contractor under this Contract as independent contractors, along with a list of any current local, state, and federal contractor license identification numbers that the independent contractors are required to have under local, state, or federal laws or regulations.

Name of Independent Contractor: \_\_\_\_\_

Contractor's License Number(s): \_\_\_\_\_

Name of Independent Contractor: \_\_\_\_\_

Contractor's License Number(s): \_\_\_\_\_

Name of Independent Contractor: \_\_\_\_\_

Contractor's License Number(s): \_\_\_\_\_

Total Number of Persons Utilized as Independent Contractors: \_\_\_\_\_.

- a. If the information pursuant to paragraph 12, above, is unknown, the Contractor shall provide the best estimate available at the time.
  - b. If a best estimate is provided, the Contractor shall have a continuing duty to ascertain the actual figures and provide RMWD with written notice of those actual figures once that information becomes known.
13. Any material change to the terms and conditions of the Contract shall be in writing, in a single document, and contain all of the provisions listed in this paragraph U that are affected by the change.

**V. Public Works Contractor Registration Program:** In compliance with Section 1725.5 of the California Labor Code, Contractor must be, and must require all Subcontractors be, registered with the DIR prior to execution of the Contract Agreement. Contractor and all Subcontractors who bid or work on, and/or who are awarded the Contract Agreement, must be registered with and pay an annual fee to the DIR. Neither Contractor nor any Subcontractors may be listed on the Bid Proposal unless registered with the DIR pursuant to Section 1725.5 of the Labor Code. Neither Contractor nor any Subcontractors may be awarded the Contract Agreement unless registered with the DIR pursuant to Section 1725.5 of the Labor Code. The project is subject to compliance monitoring and enforcement by the DIR. Contractor shall submit proof of current DIR registration, and shall require all Subcontractors to submit proof of current DIR registration, to RMWD prior to commencing work on the project.

**W. California Public Contract Code Section 9204**

- (a) The Legislature finds and declares that it is in the best interests of the state and its citizens to ensure that all construction business performed on a public works project in the state that is complete and not in dispute is paid in full and in a timely manner.
- (b) Notwithstanding any other law, including, but not limited to, Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2, Chapter 10 (commencing with Section 19100) of Part 2, and Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3, this section shall apply to any claim by a contractor in connection with a public works project.
- (c) For purposes of this section:

(1) "Claim" means a separate demand by a contractor sent by registered mail or certified mail with return receipt requested, for one or more of the following:

(A) A time extension, including, without limitation, for relief from damages or penalties for delay assessed by a public entity under a contract for a public works project.

(B) Payment by the public entity of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public works project and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled.

(C) Payment of an amount that is disputed by the public entity.

(2) "Contractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who has entered into a direct contract with a public entity for a public works project.

(3) (A) "Public entity" means, without limitation, except as provided in subparagraph (B), a state agency, department, office, division, bureau, board, or commission, the California State University, the University of California, a city, including a charter city, county, including a charter county, city and county, including a charter city and county, district, special district, public authority, political subdivision, public corporation, or nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

(B) "Public entity" shall not include the following:

(i) The Department of Water Resources as to any project under the jurisdiction of that department.

(ii) The Department of Transportation as to any project under the jurisdiction of that department.

(iii) The Department of Parks and Recreation as to any project under the jurisdiction of that department.

(iv) The Department of Corrections and Rehabilitation with respect to any project under its jurisdiction pursuant to Chapter 11 (commencing with Section 7000) of Title 7 of Part 3 of the Penal Code.

(v) The Military Department as to any project under the jurisdiction of that department.

(vi) The Department of General Services as to all other projects.

(vii) The High-Speed Rail Authority.

(4) "Public works project" means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.

(5) "Subcontractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who either is in direct contract with a contractor or is a lower tier subcontractor.

(d) (1) (A) Upon receipt of a claim pursuant to this section, the public entity to which the claim applies shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the claimant a written statement identifying what portion of the

claim is disputed and what portion is undisputed. Upon receipt of a claim, a public entity and a contractor may, by mutual agreement, extend the time period provided in this subdivision.

(B) The claimant shall furnish reasonable documentation to support the claim.

(C) If the public entity needs approval from its governing body to provide the claimant a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the public entity shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the claimant a written statement identifying the disputed portion and the undisputed portion.

(D) Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. If the public entity fails to issue a written statement, paragraph (3) shall apply.

(2) (A) If the claimant disputes the public entity's written response, or if the public entity fails to respond to a claim issued pursuant to this section within the time prescribed, the claimant may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the public entity shall schedule a meet and confer conference within 30 days for settlement of the dispute.

(B) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, the public entity shall provide the claimant a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. Any disputed portion of the claim, as identified by the contractor in writing, shall be submitted to nonbinding mediation, with the public entity and the claimant sharing the associated costs equally. The public entity and claimant shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.

(C) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

(D) Unless otherwise agreed to by the public entity and the contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

(E) This section does not preclude a public entity from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the parties' dispute.

(3) Failure by the public entity to respond to a claim from a contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim that is denied by reason of the public entity's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of the claimant.

(4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.

(5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against a public entity because privity of contract does not exist, the contractor may present to the public entity a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that the contractor present a claim for work which was performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the public entity shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, the contractor shall notify the subcontractor in writing as to whether the contractor presented the claim to the public entity and, if the original contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.

(e) The text of this section or a summary of it shall be set forth in the plans or specifications for any public works project that may give rise to a claim under this section.

(f) A waiver of the rights granted by this section is void and contrary to public policy, provided, however, that (1) upon receipt of a claim, the parties may mutually agree to waive, in writing, mediation and proceed directly to the commencement of a civil action or binding arbitration, as applicable; and (2) a public entity may prescribe reasonable change order, claim, and dispute resolution procedures and requirements in addition to the provisions of this section, so long as the contractual provisions do not conflict with or otherwise impair the timeframes and procedures set forth in this section.

(g) This section applies to contracts entered into on or after January 1, 2017.

(h) Nothing in this section shall impose liability upon a public entity that makes loans or grants available through a competitive application process, for the failure of an awardee to meet its contractual obligations.

(i) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

## **X. California Labor Code Provisions**

### **Labor Code 1775**

(a) (1) The contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b), by any subcontractor under the contractor.

(2) (A) The amount of the penalty shall be determined by the Labor Commissioner based on consideration of both of the following:

(i) Whether the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) Whether the contractor or subcontractor has a prior record of failing to meet its prevailing wage obligations.

(B) (i) The penalty may not be less than forty dollars (\$40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) The penalty may not be less than eighty dollars (\$80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.

(iii) The penalty may not be less than one hundred twenty dollars (\$120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of Section 1777.1.

(C) If the amount due under this section is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to this section.

(D) The determination of the Labor Commissioner as to the amount of the penalty shall be reviewable only for abuse of discretion.

(E) The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the contractor or subcontractor, and the body awarding the contract shall cause to be inserted in the contract a stipulation that this section will be complied with.

(b) If a worker employed by a subcontractor on a public works project is not paid the general prevailing rate of per diem wages by the subcontractor, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with all of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of this section and Sections 1771, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.

(3) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, the contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

(4) Prior to making final payment to the subcontractor for work performed on the public works project, the contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages to his or her employees on the public works project and any amounts due pursuant to Section 1813.

(c) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the Division of Labor Standards Enforcement of a complaint of the failure of a subcontractor on that public works project to pay workers the general prevailing rate of per diem wages.

#### Labor Code Section 1776

(a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

(1) The information contained in the payroll record is true and correct.

(2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.

(b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.

(2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract and the Division of Labor Standards Enforcement of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.

(c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).

(d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.

(e) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

(f) (1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.

(2) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.

(g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

(h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

(i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.

(j) The director shall adopt rules consistent with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including the establishment of reasonable fees to be charged for reproducing copies of records required by this section.

#### Labor Code 1777.5

(a) (1) This chapter does not prevent the employment upon public works of properly registered apprentices who are active participants in an approved apprenticeship program.

(2) For purposes of this chapter, "apprenticeship program" means a program under the jurisdiction of the California Apprenticeship Council established pursuant to Section 3070.

(b) (1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards

and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

- (1) The apprenticeship standards and apprentice agreements under which he or she is training.
- (2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. "Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body, if requested by the awarding body. Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates if the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a

journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite. When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeship, upon application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or who has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that he or she employs apprentices in a particular craft or trade in the state on all of his or her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.

(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m) (1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts

paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.

(2) (A) At the conclusion of the 2002–03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

(i) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship and preapprenticeship standards and requirements under this code.

(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of Industrial Relations so that the Department of Industrial Relations is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of Industrial Relations with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of Industrial Relations shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of Industrial Relations may initiate the process to rescind the registration of the apprenticeship program.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of Industrial Relations.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this section for all apprenticeable occupations with the prime contractor.

(o) This section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars (\$30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director.

**END OF SECTION 00800CA**